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[ISSUED THURSDAY, 28TH JULY, 1921.]

COMMONWEALTH OF AUSTRALIA. *Parliament*

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920-21.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.*

His Excellency the Right Honorable HENRY WILLIAM, BARON FORSTER, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

* From 6th October, 1920.

Australian National Government.

(From 10th January, 1918.)

| | | |
|---|----|---|
| Prime Minister and Attorney-General | .. | The Right Honorable William Morris Hughes, P.C., K.O. |
| Minister for the Navy | .. | The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. |
| | | <i>Succeeded by</i> |
| | | The Honorable W. H. Laird Smith (28th July 1920). |
| Treasurer | .. | The Right Honorable Lord Forrest, P.C., G.C.M.G. |
| | | <i>Succeeded by</i> |
| | | The Right Honorable William Alexander Watt, P.C. (27th March, 1918).††† |
| | | <i>Succeeded by</i> |
| | | The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920). |
| Minister for Defence | .. | The Honorable George Foster Pearce. |
| Minister for Repatriation | .. | The Honorable Edward Davis Millen. |
| Minister for Works and Railways | .. | The Right Honorable William Alexander Watt, P.C. |
| | | <i>Succeeded by</i> |
| | | The Honorable Littleton Ernest Groom (27th March, 1918). |
| Minister for Home and Territories | .. | The Honorable Patrick McMahon Glynn, K.C.†† |
| | | <i>Succeeded by</i> |
| | | The Honorable Alexander Poynton (4th February, 1920) |
| Minister for Trade and Customs | .. | The Honorable Jens August Jensen † |
| | | <i>Succeeded by</i> |
| | | The Right Honorable William Alexander Watt, P.C. (13th December, 1918). |
| | | <i>Succeeded by</i> |
| | | The Honorable Walter Massy Greene (17th January, 1919). |
| Postmaster-General | .. | The Honorable William Webster ††† |
| | | <i>Succeeded by</i> |
| | | The Honorable George Henry Wise (4th February, 1920). |
| Minister for Health | .. | The Honorable Walter Massy Greene (10th March, 1921). |
| Vice-President of the Executive Council | .. | The Honorable Littleton Ernest Groom. |
| | | <i>Succeeded by</i> |
| | | The Honorable Edward John Russell (27th March, 1918). |
| Honorary Minister | .. | The Honorable Edward John Russell. |
| | | Appointed Vice-President of the Executive Council, 27th March, 1918. |
| Honorary Minister | .. | The Honorable Alexander Poynton. |
| | | Appointed Minister for Home and Territories, 4th February, 1920. |
| Honorary Minister | .. | The Honorable George Henry Wise. |
| | | Appointed Postmaster-General, 4th February, 1920. |
| Honorary Minister | .. | The Honorable Walter Massy Greene.* |
| | | Appointed Minister for Trade and Customs, 17th January, 1919. |
| Honorary Minister | .. | The Honorable Richard Beaumont Orchard.** |
| Honorary Minister | .. | The Honorable Sir Granville de Laune Kyrie, K.C.M.G., C.B., V.D.†† |
| Honorary Minister | .. | The Honorable William Henry Laird Smith.†† |
| | | Appointed Minister for the Navy, 28th July, 1920. |
| Honorary Minister | .. | The Honorable Arthur Stanislaus Rodgers.*** |

* Appointed 26th March, 1918. —† Removed from office, 13th December, 1918. —** Resigned office, 31st January, 1919. —†† Appointed 4th February, 1920. —††† Resigned 3rd February, 1920. —†††† Resignation from office gazetted, 15th June, 1920. —*** Appointed 28th July, 1920.

Senators.

(From 1st July, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

*Adamson, John, C.B.E. (Q.)
 Bakhap, Thomas Jerome Kingston (T.)
 *Benny, Benjamin (S.A.)
 Bolton, William Kinsey, C.B.E., V.D. (V.)
 †Buzacott, Richard (W.A.)
 *Cox, Charles Frederick, C.B., C.M.G., D.S.O., V.D. (N.S.W.)
 Crawford, Thomas William (Q.)
 De Largie, Hon. Hugh (W.A.)
 *Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)
 *Duncan, Walter Leslie (N.S.W.)
 Earle, Hon. John (T.)
 *Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)
 Fairbairn, George (V.)
 Foll, Hattil Spencer (Q.)
 †Foster, George Matthew (T.)
 *Gardiner, Albert (N.S.W.)
 *Givens, Hon. Thomas (Q.)

*Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O., V.D. (Q.)
 *Guthrie, James Francis (V.)
 †Guthrie, Robert Storrie (S.A.)
 Henderson, George (W.A.)
 Keating, Hon. John Henry (T.)
 *Lynch, Patrick Joseph (W.A.)
 Millen, Hon. Edward Davis (N.S.W.)
 *Millen, John Dunlop (T.)
 1 *Newland, John, C.B.E. (S.A.)
 *Payne, Hon. Herbert James Mockford (T.)
 2 Pearce, Hon. George Foster (W.A.)
 1 Plain, William (V.)
 Pratten, Herbert Edward (N.S.W.)
 Reid, Matthew (Q.)
 1 Rowell, James, C.B., V.D. (S.A.)
 *Russell, Hon. Edward John (V.)
 Senior, William (S.A.)
 Thomas, Hon. Josiah (N.S.W.)
 5 Vardon, Edward Charles (S.A.)
 *Wilson, Reginald Victor (S.A.)

1. Appointed Temporary Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919. Sworn 21st July, 1920. 3. Appointed Temporary Chairman of Committees, 26th February, 1920. 4. Deceased reported, 6th April, 1921. 5. Appointed by State Governor in Council, 18th February, 1921. Sworn 6th April, 1921.

* Elected 13th December, 1919. Sworn 1st July, 1920.

Mr. CHARLTON (Hunter) [10.59].—This is a very necessary measure. We have been paying large sums to the State Railway Departments for the carriage of our mail-matter, and this Bill merely proposes to amend the principal Act in order that a definite basis may be laid down for the guidance of the arbitrators. I know of no better way of settling a dispute between the States and the Commonwealth than by reference to arbitration, and, that being so, I shall not discuss the question further.

Mr. GREGORY (Dampier) [11.0].—Although I am pleased to facilitate the passage of a Bill of this character, it seems rather strange that the Postmaster-General should be prepared to submit the question of what the Government should pay for the carriage of its mails to arbitration, but at the same time desire to lay down the conditions under which the arbitrators shall bring in their verdict.

Mr. GROOM.—No; the basis.

Mr. GREGORY.—The Minister for Trade and Customs (Mr. Greene) speaking the other night advocated the charging of a profit of 20 per cent. on importations; but are we to understand that the States are to be reimbursed only the actual expenditure that they incur in the carriage of mails, and are to be allowed no profit? That strikes me as unfair.

Sir JOSEPH COOK.—They will get only such profit as will give a return for the services rendered.

Mr. RICHARD FOSTER.—The Commonwealth had a good thing, but was not satisfied.

Mr. GREGORY.—The Commonwealth had its own arbitrators, but insisted on haggling over this matter, until in the end it had to give way.

Question resolved in the affirmative.

Bill read a second time, and reported without amendment; report adopted.

Bill (*by leave*) read a third time.

SHALE OIL BOUNTY BILL.

Message recommending appropriation reported.

Referred to Committee of Supply forthwith.

In Committee (Consideration of Governor-General's message):

Sir JOSEPH COOK (Parramatta—Acting Prime Minister and Treasurer) [11.4].—I move—

That it is expedient that the appropriation of revenue made by the Shale Oil Bounty Act 1917 be made available for the purposes of a Bill for an Act to amend the Shale Oil Bounty Act 1917.

The object of the Bill is to enable this bounty to be paid for another twelve months. The sum of £270,000 was voted by Parliament for this bounty, and only £84,000 of it has been spent; but, as the Act will expire by effluxion of time before the House re-assembles after the proposed adjournment, it is necessary to get parliamentary sanction for the continuance of the bounty for another year, during which the whole matter can be reviewed. We propose nothing fresh, and merely ask leave to spend the money that has been voted.

Question resolved in the affirmative.

Resolution reported.

Standing orders suspended, and resolution adopted.

Ordered—

That Mr. Greene and Mr. Groom do prepare and bring in a Bill to carry out the foregoing resolution.

Bill presented by **Mr. GREENE**, and read a first time.

ADJOURNMENT.

BUSINESS OF THE HOUSE—WAR PENSION.

Sir JOSEPH COOK (Parramatta—Acting Prime Minister and Treasurer) [11.6].—I move—

That the House do now adjourn.

I should have liked to continue for another half-hour to-night to put through the Bill which has just been introduced.

Mr. McWILLIAMS.—Why not go on with it?

Mr. CHARLTON.—We object to going further to-night.

Sir JOSEPH COOK.—There is nothing controversial in the Bill. Tomorrow, a series of public works proposals, which, if agreed to, will give a great deal of work, is to be considered, and we shall be jammed if we do not get rid of some of these formal matters to-night. Every one knows the Friday-morning mood of the House, when members are generally a little strung up, and not too amiable. I hope that I shall not

be blamed if some things that honorable members wish cannot be done. My advice is not being taken, and I am powerless to enforce it. Therefore, I hope that members will take responsibility for what may happen. I shall do my best, but I cannot guarantee that all our proposals will be put through.

Mr. CHARLTON (Hunter) [11.9].—I cannot guarantee anything for tomorrow; but we on this side will do what we can to facilitate business, because we all wish to get away.

I did not speak on Supply, because I did not wish to occupy time then; but I have a matter which should be ventilated. It concerns a returned soldier named Bond, who has written to me fully about his case, and I have also received a letter about it from a Dr. Ross. Bond himself also wired to me last evening, asking me to mention the case in the House, as he despairs of getting justice otherwise. Bond was in receipt of a war pension, which was stopped. He says—

I was stricken with the ailment for the first time in the trenches, and prior to that I had never had the slightest symptom of the complaint. I was treated in hospital without a break for ten months for the ailment. Surgeon-General Ryan, one of our highest qualified medical officers, marked on my papers that the disability was attributable to war service, and assessed the disability at 100 per cent. for pension purposes. This I know, that had I been examined by civilian doctors, the pension would never have been taken away. Only to-day I had a consultation with Dr. Roseberg, of Manly, a returned soldier. He said that it was a scandalous decision, and he would have no hesitation in putting it down to a war disability.

The Department said that this man had inherited the disability from the Boer war; but he positively declares that he was never at or near the Boer war, and that the sickness first occurred in the trenches in France. It is a mystery to me how the Department can say that the disability originated in South Africa, seeing that the man was first examined here for active service, and was passed, and was then sent to France, and was subsequently examined and classed as a 100 per cent. disability for pension purposes. The writer continues—

As I told you before, no doctor examined me prior to the pension being taken away.

What I urgently desire to know is how and why the Department can stop these

pensions without even having the person concerned medically examined.

Sir GRANVILLE RYRIE.—It cannot be done, and is not done.

Mr. CHARLTON.—This man says it was done. When his case was brought up he had to undergo an examination by a doctor, or by two medical officers who were directly under the medical officer who had previously examined him—that is to say, after his pension had been cut off.

Sir GRANVILLE RYRIE.—The only examination practicable is the examination by a medical Board.

Mr. CHARLTON.—Those two medical officers could not be expected, of course, to come to a decision in opposition to that of their chief. This matter has been before the Assistant Minister (Sir Granville Ryrie) before, and all I desire is that it shall be given further consideration.

Sir GRANVILLE RYRIE.—If the honorable member will let me have the letter, and any additional particulars he may possess, I shall go into the case.

Question resolved in the affirmative.

House adjourned at 11.13 p.m.

Senate.

Friday, 22 July, 1921.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 11 a.m., and read prayers.

PAPER.

The following paper was presented:—
Defence.—Commonwealth Government Factories—

Reports for year ended 30th June, 1920.

WAR SERVICE HOMES ACT.

LEASEHOLD TENURE.

Senator COX asked the Minister for Repatriation, *upon notice*—

1. Is the Minister aware whether a number of returned soldiers (between sixty and seventy) have taken up residence on the Murrumbidgee irrigation area on a perpetual leasehold tenure from the New South Wales Government?

2. Is the Minister further aware whether, owing to their holdings being under the leasehold tenure, these men have been refused assistance under the War Service Homes Act?

3. If it is not possible to extend the provisions of the Act to these particular cases, will the Minister consider the advisability of making some special provision, through the New South Wales Government, for giving these returned soldiers the assistance required?

Senator E. D. MILLEN. — The answers are—

1. I have no information regarding those who have taken up merely residential blocks in the area referred to, and to which it is presumed the honorable member's question refers.

2 and 3. The War Service Homes Act does not permit of advances being made upon leasehold tenure, but the suggestion contained in the latter portion of the honorable member's question will be considered.

POST AND TELEGRAPH BILL.

Bill received from the House of Representatives, and (on motion by Senator RUSSELL) read a first time.

SUPPLY BILL (No. 2) 1921-1922.

SECOND READING.

Debate resumed from 21st July (*vide* page 10415), on motion by Senator E. D. MILLEN—

That this Bill be now read a second time.

Senator WILSON (South Australia) [11.3].—I join with two or three previous speakers in protesting against what has apparently become a custom in the Senate, of having a Supply Bill brought here from another place and of asking honorable senators to pass votes amounting to nearly £5,000,000 in the twinkling of an eye.

Senator E. D. MILLEN.—There is time for the honorable senator to say all that he has to say.

Senator WILSON.—This Bill was received in the Senate only last evening, and it is quite unreasonable to expect that it shall be put through to-day if fair discussion is to be allowed of the various matters with which it deals. I may be somewhat slow in grasping matters of such magnitude, but I object to being asked to consent to the voting of nearly £5,000,000 in so short a time. During the war we learned many lessons which should be of great advantage to us; but, because of it, I am afraid that we have got into a number of very bad habits in dealing with public expenditure. It is quite time that the Senate gave reasonable consideration to the de-

tails of public expenditure. If honorable senators had been given an opportunity to thoroughly discuss the details of expenditure in the past a great deal of money that has been wasted might have been saved to the community. Last night I was informed that this was merely a machinery Bill, and that it was not necessary to discuss its details as most of the matters with which it is concerned have already been considered. I remind honorable senators that the Bill covers the expenditure of nearly £5,000,000, and though the items may have been previously considered in different circumstances, that is no reason why they should not be subjected to close criticism now.

Senator EARLE.—Can the honorable senator point to any special vote which might have been saved with more mature consideration by the Senate?

Senator WILSON.—I am astonished that Senator Earle should ask such a question, in view of the information placed before us last night, and the discoveries about which we, as public men, were previously informed.

Senator EARLE.—Does the honorable senator think that, with more mature consideration of items of Supply, money might have been saved in connexion with the administration of the War Service Homes Department?

Senator WILSON.—My honorable friend will have an opportunity to deal with the Bill, and he will excuse me if I continue to present my own ideas concerning it to the Senate.

This is virtually a wages Bill, and in this connexion we might give some consideration to the appointments which have been made within the Public Service within the last twelve months. Honorable senators are aware that some little time ago I asked for details of appointments made in the Commonwealth Public Service during the last twelve months. Those details were supplied, and I am sure that every member of the Senate was as astonished as I was myself at the enormous additional expenditure involved in the appointment of officers to higher positions than those which they previously held. Some of these increases of salary given to officers passing from one Department to another, run into hundreds of pounds. I do not intend to be personal in my references to

this matter, as honorable senators have been supplied with a list of the appointments to which I refer.

Senator E. D. MILLEN.—The honorable senator might recognise, as the return to which he refers shows, that a large majority of the appointments were civil appointments, to take the place of military appointments in the mandated Territories.

Senator WILSON.—The Minister is right as to some of the appointments included in the return, but not as to others.

Senator E. D. MILLEN.—The honorable senator's reply neither affirms nor denies my statement; but the return itself will prove it.

Senator WILSON.—It proves that many officers were transferred from one Department to another, in some cases with increases of salary running up to £500 per year. I have said that I do not care to be personal in my references to these appointments; but as my objection has been challenged, I take the case of Mr. Shepherd, who was formerly Secretary to the Prime Minister's Department, and was transferred to London, and his salary increased to £2,000 a year. This is at a time when we are talking about economy.

Senator PEARCE.—The new salary is only equal to what the previous salary was before the war.

Senator WILSON.—It has been increased by 100 per cent., and while apparently those increases can be given to the more highly paid officials, they are not given to the lower-paid officers of the Public Service.

Senator PEARCE. — Yes. The basic wage has been applied to the Public Service.

Senator WILSON.—That does not represent a 100 per cent. increase in salaries.

Senator PEARCE.—It does, on pre-war rates.

Senator WILSON.—I think that we should give serious consideration to the growth of public expenditure in this country with its small population. Honorable senators listened to the disclosures made last night by the Minister for Repatriation (Senator E. D. Millen). It is regrettable that the Commonwealth should have been involved in so many un-

fortunate undertakings. The results should teach us that it is quite time that the Government confined themselves absolutely to the functions of Government. The attempts that have been made to engage in trade and commerce have been quite outside the scope of the proper duties of an Administration. On every occasion upon which a Government has invaded this field of operations we have had eye-openers at the finish.

The methods adopted in the handling of public moneys by the various Departments require considerable tightening up. The practice is to issue Treasury warrants to the different Departments. These warrants are issued for lump sums from time to time, and I am of opinion that the sooner the Commonwealth Treasurer controls details of the expenditure of public moneys, the better it will be for this country. I might, as an illustration, mention a Department that has the spending of a great deal of money. The manager has certain duties to perform, and is answerable to a Board, the Board to the Minister, the Minister to the Treasurer, and the Treasurer to the Cabinet. That was our experience of a spending Department in connexion with an inquiry recently held. It was almost impossible to hold any particular officer responsible for excess expenditure. In view of the disclosures in connexion with the administration of the War Service Homes Department, it is evident that there has been considerable leakage there, and a real necessity for the tightening up of the system in order to prevent any one individual being in a position to enter into contracts involving huge expenditure without being answerable to some one at an early date. If the Treasury had been fully protected, that kind of thing could never have continued in the War Service Homes Department as long as it did. Are honorable senators aware that, in respect of the examination of the accounts of some Departments of the Commonwealth Public Service, the Auditor-General is from eighteen months to two years behind with his work? How could any ordinary business be carried on on such lines? How could a business man expect to carry on his business successfully if, for eighteen months or two years, he did no auditing of his accounts to discover where he was? If a private concern were carried

on on those lines, and the owner of the business was found to be insolvent at the close of such a term, he would probably have to "do time" under the laws of his country.

Senator VARDON.—Some know from month to month how they stand.

Senator WILSON.—A business man, carrying on his affairs on up-to-date commercial lines, knows how he stands, at least, once a quarter. How is it possible to hold a Minister responsible for a Department if there has been no audit of its accounts for eighteen months or two years?

Senator ROWELL.—We must increase the staff of the Auditor-General.

Senator WILSON.—If that is necessary it is the duty of the Auditor-General to see that he is given an increased staff. We cannot hold Ministers responsible in this connexion. I understand that the powers of the Auditor-General are supreme, and if he requires more assistance to carry out the work of his Department there is nothing to prevent him getting it. A continuous audit of public accounts would prevent the occurrence of such transactions as have been recently disclosed.

In a statement which he made in another place the day before yesterday, Sir Joseph Cook admitted that he had not seen a balance-sheet of the Commonwealth Line of Steamers for two years. Can this sort of thing go on? It is absurd that the Line should have its head office in London. The proper place for the head office, and for those who govern the shipping of this country, is here, at the Seat of Government, so that the whole business may be under control, and we may be able to obtain a reply at any moment to any question we desire to put. Instead of that, all that the Treasurer can assure us is that he has been sending Treasury warrants to carry on, and the system has grown, through the war, into such a condition of laxity that the sooner we tighten the whole business up to prevent the wicked waste that is occurring in connexion with our public administration, the better it will be for all concerned. I sympathize with any Minister who has to try to carry on and do his best in the public interest under conditions of this sort.

Senator PEARCE.—It was not the Treasurer who made the statement about the Commonwealth Line of Steamers, but Mr. Gregory.

Senator WILSON.—The record shows that Mr. Gregory asked, "Is it a fact, as stated in this morning's papers, that no balance-sheet has been presented for two years?" To which the Treasurer (Sir Joseph Cook replied, "The accounts are kept in London." Then Mr. Gregory said, "Surely we can get a balance-sheet," and the Treasurer replied, "I am going to try."

Senator RUSSELL.—I have seen them all within three days, except the last one, but we have had the facts of that one cabled to us from London, which is our head office for shipping.

Senator WILSON.—When the Treasurer says that he is going to "try" to get a balance-sheet, there is something wrong.

Senator PEARCE.—The Treasurer may not have seen it personally, but he is not the Minister controlling shipping. That is Senator's Russell's work.

Senator WILSON.—I am still of opinion that the Treasurer, who has the absolute control of the finances, should see all balance-sheets.

Senator RUSSELL.—You said there was no balance-sheet available.

Senator WILSON.—I did think that that was so.

Senator RUSSELL.—Then it is not so.

Senator WILSON.—I am pleased to have that assurance, but I am still of opinion that the head office of the Commonwealth Line of Steamers should be at the Seat of Government, and that the Minister, to whom alone Parliament can look to protect the funds of this country, should be right on the spot at the head office.

Recently we had the experience of Sir Joseph Cook being the final referee in regard to a long routine of public expenditure, passing from the general manager of a big concern in Sydney, through different Boards, and through another Minister, until it reached him, and he took a definite stand. He said the amount of his warrant had been exceeded, and stopped further expenditure. I am very pleased that we have men like Sir Joseph Cook in office who are prepared to accept the responsibility, on occasions of that sort, of taking what may be a

very unpopular, but at the same time a very justifiable stand, and one which it was his duty to take, on behalf of the taxpayers. A great deal of opposition has been expressed to the action of the Treasurer in that matter, but where shall we find ourselves unless there is absolute and complete authority at the head of our affairs? Those who are answerable directly to Parliament must know the whole of the facts regarding the expenditure of all public money.

To me a Bill of this sort coming before Parliament opens up what is the foundation of responsible, economic, and successful government. We must put the peg in with our public expenditure, but, at all times, with due regard to efficiency. I am not an economist gone mad. I am an economist who says that the public are entitled to 20s. worth of value for every £1 of their money. All the laxity that has grown up must end, and so must the ambition that exists in many Government Departments to make them larger. I tell the men in those Departments frankly that if I were there I would do the same as they do. If a Department is started, the natural ambition of the man placed in charge of it is to build it up into a huge concern to make his own position bigger and better. It would be mine, at any rate.

Senator BOLTON.—Who is to blame?

Senator WILSON.—Parliament is to blame for allowing it to go on.

Senator BOLTON.—It is the public that are to blame. They want these public utilities.

Senator WILSON.—The taxpayers elect us to act as a brake in these matters. It is a responsibility which we owe to the taxpayers to go fully into the details of public undertakings. I do not wish to shirk my duty in that regard, although I admit that in many circumstances the public are most unfair and unreasonable, but that is perhaps due to the fact that they have not the information that we enjoy.

Senator PEARCE.—I assure the honorable senator that in the case of Government factories, of which I control the majority, the greatest pressure I get from Parliament is to extend them.

Senator WILSON.—The fact that the Minister is asked to extend the output of a factory on proper economic and commercial lines is no argument in favour of

building up Departments and adding to the number of persons employed in them.

Senator PEARCE.—We cannot extend a factory without increasing the staff.

Senator WILSON.—Surely the Minister does not compare an ordinary administrative Department with a manufacturing Department? I have already said that if the Auditor-General wants extra men, and has work for them to do, he must be allowed to get them. The public cannot have the protection of the Auditor-General's office unless the Auditor-General is allowed to appoint capable men and pay them properly.

Senator REID.—Would not the honorable senator find it difficult to justify to the South Australian people economy in any Commonwealth activity in South Australia?

Senator WILSON.—I regret that the honorable senator's recent visit to South Australia did not reveal to him the fact that that State is one of the best and most economically governed in the Commonwealth.

Senator REID.—I meant from a Federal point of view.

Senator WILSON.—Whilst I am a member of the Senate, I am not going to take the parochial attitude of saying that my own State must have privileges which other States do not get. I am always prepared on general lines to lay down the principle of efficiency coupled with economy for the whole Commonwealth, and not for any individual State.

Senator REID.—But you know the difficulty of economizing in one's own State.

Senator WILSON.—I am in favour of economy, State and Federal, in my own State.

Senator REID.—Then point out one item that you can economize on in South Australia, and I will support you.

Senator WILSON.—The honorable senator asked me on general principles if I believed in economy, and I said "Yes." Perhaps the Minister for Defence can point out some general way in which we can study economy in South Australia.

Senator PEARCE.—I can mention one item which is being strongly pressed on the Government by the Taxpayers' League. They are urging us not to go on with the north-south railway.

Senator WILSON.—I do not mind the Taxpayers' League. That railway is the "stalking horse" of one of my honorable friends, who is always battling to push on to an intelligent public a bush capital which is not wanted. I am prepared to support a railway to the Northern Territory when I am satisfied as to the route it should take and the country it should develop. Australian public men must realize that we must either develop the Northern Territory or lose it. Five million people cannot hold a Territory of that sort on the dog-in-the-manger policy when just across the water there are nations whose people are starving for country to develop. The responsibility rests on the Commonwealth of developing the Northern Territory or of saying to those people "Come and help yourselves." To play off the question of the north-south railway against the question of the Capital at Canberra is mere bartering. I am sure the Senate will decide each public question on its own merits. We are not going to bargain with New South Wales or Victoria as to whether we shall advocate what we believe to be in the best interests of the Commonwealth.

Senator EARLE.—And true economy.

Senator WILSON.—And true economy, although the honorable senator says it sneeringly. I am not going to take the responsibility of saying whether the time is ripe to build the north-south railway with the present high cost of labour and enormous cost of material. A Committee has been sent through the country to make the fullest inquiries about the best route, and when its report comes before the Senate I hope honorable senators will be big and bold enough to treat the question on its merits as one of developmental policy for the whole Commonwealth, and not get down to the petty, bickering idea of "You give us Canberra, and we will give you the north-south railway." To me that system of settling public questions is most objectionable.

Senator DUNCAN.—Who ever said that to you?

Senator WILSON.—I notice that my honorable friend seldom speaks about Canberra without retorting about the north-south railway.

Senator E. D. MILLEN.—And when the north-south railway is mentioned to you, you retort with Canberra.

Senator WILSON.—Not at all. So long as I am here I intend to treat every case on its merits.

I hope that in the future we shall have greater time for the consideration of Supply Bills. A Bill of this description should be in our hands at least three or four days before we are asked to discuss it, so that we can make ourselves conversant with every detail of the expenditure proposed.

Senator E. D. MILLEN.—If the honorable senator only wants the Bill in his hands three or four days before he is asked to discuss it, I may tell him that it was placed in his hands when it was introduced in another place.

Senator WILSON.—I give that statement an absolute denial.

Senator EARLE.—I have had the Bill all the week.

Senator WILSON.—Perhaps the honorable senator is privileged. I am not. The Supply Bill was not in my box.

Senator E. D. MILLEN.—The honorable senator must have known that the measure was before another place.

Senator WILSON.—I did.

Senator E. D. MILLEN.—If the honorable senator was as keenly anxious concerning the details of the Bill as he is concerning economy, he could have obtained a copy.

Senator WILSON.—I did not know that it was part and parcel of my duty as an honorable senator to search around another place to obtain a copy of a Bill which should be supplied to me here.

Senator E. D. MILLEN.—The honorable senator could have obtained a copy from the messenger.

Senator WILSON.—I understood that Bills were supposed to be placed at the disposal of honorable senators without making such an application.

Senator E. D. MILLEN.—I shall see that the honorable senator is furnished to-morrow with every document which is now current relating to finance.

Senator WILSON.—I thank honorable senators for the consideration extended to me, and I trust that, on the next occasion

when a Supply Bill is submitted to this Chamber, we shall have sufficient time to discuss the items in the schedule, because there is every justification for a tightening up of the present system in an endeavour to effect economy wherever possible. I do not wish to leave an impression in the minds of honorable senators that I have been criticising the administration of individual Ministers. My remarks have been directed mainly towards the administration generally, because we appear to have been following a very loose system. The Auditor-General's report is eighteen months behind, and I have been making these comments in an endeavour to assist the Government.

Senator PEARCE.—The paper I laid on the table shows that that is not true as a general statement, because I submitted the Auditor-General's report on the work of certain factories.

Senator WILSON.—I was referring only to certain Departments, and stated what had been given in sworn evidence.

Senator FAIRBAIRN (Victoria) [11.33].—I have always considered it somewhat futile to discuss a partial financial statement such as is embodied in a Supply Bill. I understand that the Estimates for the present financial year are to be submitted some time in September, and any comments I may offer will be in an endeavour to assist the Government in framing the Estimates, and making them as palatable to the electors as we possibly can, because there is every probability of the Government having a very rough passage when they are submitted. As a member of the National party, and a supporter of the Government, it is my wish to make the task of Ministers as easy as possible, and I am endeavouring to do that by asking them to frame the Estimates in accordance with what they know to be the wishes of the people.

I desire in the first place to refer to comments made by Senator Wilson concerning the publication of the balance-sheets of our great ship-building enterprise. I understood the Minister (Senator Russell) to say that the balance-sheets are in his possession.

Senator RUSSELL.—All of them with the exception of last year's, which are being held up pending the receipt of certain cabled particulars.

Senator FAIRBAIRN.—Have they been published?

Senator RUSSELL.—Yes, from time to time.

Senator FAIRBAIRN.—Not in the press.

Senator RUSSELL.—Not in full; but certain extracts have been made available.

Senator FAIRBAIRN.—The money expended in this and other directions has been contributed by the taxpayers, and the balance-sheets should be published as is the case in connexion with private business concerns. The Government are merely managers for the people, and I trust that the Minister will give consideration to my request, so that the taxpayers who have to shoulder these liabilities may have some knowledge of how the money is being disbursed.

I felt very much discouraged after the Minister for Repatriation (Senator E. D. Millen) had made his statement concerning the administration of the War Service Homes Department. I have always felt that Governments were quite incapable of undertaking huge enterprises of this character, and the disclosures of the Minister last night proved my assumption to be correct. If the Minister for Repatriation, whom I look upon as an able politician and business man, cannot successfully administer such a huge public undertaking, nobody can. What did the Minister do when he started this great Department? Soldiers were returning from abroad in very large numbers, and the feeling amongst the community was that everything should be done to assist them in being repatriated, and established in comfortable homes. Parliament directed the Minister for Repatriation to build houses for these men, and at the outset he had to construct offices. He then had to select a Commissioner, who was to receive a comparatively small salary, to handle a very large sum of money.

Senator BOLTON. — Approximately £14,000,000.

Senator FAIRBAIRN.—Yes, and the salary allowed was only £1,500 a year. The Minister for Repatriation was further handicapped because the head of the Department had to be a returned soldier, and it was difficult to secure from a number of comparatively young men one who had sufficient commercial and adminis-

trative experience to successfully control the work. Notwithstanding this difficulty, the Minister had to delegate important powers to the officer selected. Apparently, the Minister had everything against him, because many of his officers appeared to be working in opposition to him, and even deceiving him in every possible way. There is no doubt that in those days we did not, and we do not now, desire to apply hard business principles to returned soldiers who have done so much for us, but to treat them in a humanitarian way. But in endeavouring to help them, perhaps, some injustice has been inflicted, and, personally, I would rather have been an umpire at a football match than have undertaken such a difficult task. I do not think the Minister for Repatriation will say, on looking back, that he has always been right, because we all make mistakes. But he has made less than most men would have made. The Minister has numerous duties to perform, and he has also the responsibility of leading the Senate, which, in itself, should be sufficient for one man.*

Senator E. D. MILLEN.—In spite of its good manners.

Senator FAIRBAIRN.—Yes. It is a most strenuous task. It is time the Government realized that much of the work that has been undertaken by Governments should be left to private enterprise. When I heard the Minister's statement I naturally asked what the Treasury could have been doing, because the Minister said that in passing the Estimates we had allowed £160,000 for the purchase of houses, and nearly £3,000,000 for the building of new residences.

Senator E. D. MILLEN.—Provision was made for a trust account, from which the Commissioner could replenish his funds by draft lump sums from the Treasury.

Senator FAIRBAIRN.—That gave Lieut.-Colonel Walker an opportunity to "get at" the whole account.

Senator E. D. MILLEN.—I would not say that, but it permitted the expenditure of money for one purpose which, according to the Estimates, was intended for another purpose.

Senator FAIRBAIRN.—I do not know what expression could be strong enough to convey one's opinion concerning some of the disclosures made yesterday, and I trust that the delinquents who have brought

us into this position are not to be allowed to go free, because they should be compelled to bear their share of the responsibility. If such acts had been committed in the employ of private enterprise, dismissal would not have been the end of it, because they have been diverting funds and using them under false pretences. The instructions of the Minister have been ignored, and money wrongly spent. Some of the officers are responsible for criminal acts, and I trust the Minister for Repatriation will secure legal advice to see if definite charges cannot be laid against those who have ignored his instructions in this regard.

Senator BOLTON.—The honorable senator must remember that great pressure was brought to bear upon that particular Department. Houses that were available were offered, and men were prepared to go into them.

Senator FAIRBAIRN.—I do not care what happened, the officers were not justified in acting as they did. The head of the Department could have approached the Treasurer, who should have been informed as to the money available. The true position would then have been before the Government, and they would have had an opportunity of amending their policy if they so desired.

Senator CRAWFORD.—The responsibility would then have been the Minister's, and not the Commissioner's.

Senator FAIRBAIRN.—Yes, and that would have been the proper course to adopt.

The Bill provides for the expenditure of £630 in connexion with the Bureau of Commerce and Industry. We have a number of these Departments growing up around us, including the Bureau of Science and Industry, which I opposed when it was established. I trust that before the Estimates are dealt with the Government will endeavour to amalgamate some of these Departments. Mr. Knibbs, who has done magnificent work, and is known the world over as one of the finest statisticians, has been taken away from his Department and placed in charge of a scientific branch of the Government's activities. I do not know that the appointment can be regarded as a good one, because, although Mr. Knibbs may be a splendid organizer, I do not think he can be termed a scientist. Then there is the Bureau of Commerce and Industry. I

should like to see balance-sheets of all these Government activities published every year.

Senator GUTHRIE.—At present we do not know what we are spending.

Senator FAIRBAIRN.—The public should know, and if balance-sheets were published regularly we should be in a position to say whether they are justified or not. I doubt if any honorable senator can say how much money has been spent in connexion with the Bureau of Commerce and Industry.

Senator GUTHRIE.—Or what it is doing.

Senator FAIRBAIRN.—We have had reports from time to time; but I do not think they have made any reference to the financial position of this institution. I have heard it said that it is costing £7,000 a year. In my opinion, it might very well be amalgamated with the Board of Trade, the functions of which are similar. I hope the Minister will take a note of the suggestion, because if we could show that some of these big Departments are being amalgamated, and if proper balance-sheets were published annually, we would be able to assure the public, perhaps, that their money was being wisely employed. A little while ago the Bureau of Commerce and Industry attempted to launch an ambitious woollen-manufacturing scheme, but without success. A number of private companies have been established of late, and I doubt very much whether such a scheme as that suggested by the Bureau is now required at all. The Minister might inform us of its activities, and say whether, in his opinion, it could be amalgamated with the other Department to which I have referred. The head of any Government Department, if he is energetic at all, is always endeavouring to enlarge it, so if, by amalgamation of some of these Departments, we could deal with only one instead of four or five heads, there would be a much better prospect of effecting economy. The natural instinct, even of members of Parliament, is to induce the Government to spend public money; but I think I can say that I am one of the least offenders in that respect. I do not recollect ever having asked the Government to spend public money in this State, and so I am a true economist.

Senator THOMAS.—There is no necessity to make that request, because the money is being spent in Victoria.

Senator FAIRBAIRN.—I think the Federal Government are spending very little money in this State.

I cannot indorse Senator Wilson's advocacy of the North-South railway, although he put the case very well. He drew attention to the fact that there were teeming millions of people to the north, just a little way off, and used that as an argument for the construction of the line; but these teeming millions have been there for thousands of years. If they had wanted to occupy the Northern Territory they could have done so thousands of years ago. The Javanese have come down several times, I believe, but they have never stayed there.

Senator GUTHRIE.—The railway would bring them south.

Senator FAIRBAIRN.—I have heard the construction of the line advocated from a defence point of view; but I think that to construct it for that purpose would be the worst thing in the world to do, because if any enemies landed in the Northern Territory, the railway would enable them to come south. This argument reminds me of the story of a woman, who, frightened of burglars, got her husband's golf stick and placed it alongside the bed at night, but her husband advised her to "Put it away, because a burglar would probably hit them with it." The same may be said of this railway. If it is built, and if any prospective enemy is foolish enough to land in the Northern Territory, he will use the line to enable him to come south.

Senator GUTHRIE.—I think the military authorities were dead against the railway for that reason.

Senator FAIRBAIRN.—From a defence point of view, to build that line would be the worst thing we could do. I know, of course, that honorable senators from South Australia have to push their barrow a little bit, and, therefore, we need to treat this matter seriously for the next twenty years, anyway. Some day, no doubt, the agreement with South Australia with regard to the railway may have to be carried out. I was a member of another place when the Northern Territory was taken over from South Australia, and did my level best to prevent the Commonwealth from completing the agreement, because I felt that South Aus-

tralia was managing the Territory quite as well as the Commonwealth was likely to do; but the reply always was—"We want to spend money up there, in order that the Territory may be developed properly." If the Commonwealth had not taken over the Territory, it is highly probable that the agreement then being negotiated with a large English company for the construction of a line and the development of the Territory, on the lines of the Canadian-Pacific Railway Company, would have been completed, and the railway constructed years ago.

Senator THOMAS. — You think, then, that it would have paid a private company to build the line, but not the Government? They could not float the company in London.

Senator FAIRBAIRN.—The Territory was taken over because of the desire that the Government should do all this pioneering work, but history teaches us that in all pioneering enterprises the pioneer goes down and the next man succeeds. The proposal that the Government should launch out into this huge expenditure on pioneering work in the Northern Territory was insanity.

I do not wish to detain the Senate, because I know another place expects the return of the Bill this afternoon. I hope that, before we get on to the main Estimates, the Government will be able to state that definite action has been taken to amalgamate some of the existing Departments, so that the people may be assured that economy and efficiency are being aimed at, and that the administrative control of the various Departments is not being conducted in a haphazard way.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [11.50].—I should like to inform Senator Fairbairn that a balance-sheet of the Commonwealth Line of Steamers has been published, and, indeed, laid on the table of the Senate. Naturally, the document was not available as promptly as we would have liked it to be, because the head office is in London. The balance-sheet for the year, to the 30th June last, is not here yet.

Senator FAIRBAIRN.—Is it necessary to have the head office in London?

Senator E. D. MILLEN.—The honorable senator is now raising another point, upon which I am not qualified to speak; but I assume that Mr. Larkin, the manager of the line, thinks it advisable to have his head office at the centre of the world's shipping. I am only answering the honorable senator's complaint that the balance-sheet has not been published. It is not so early as we would like, of course, because of the time required to get London information which has to be audited before it is sent out. Senator Russell has already informed the Senate that the cabled particulars are to hand, but cannot be presented as an official balance-sheet until confirmed by the documents. May I say, in the most kindly way possible, that I think those honorable senators who make complaints are under some little obligation first to find out whether they themselves are to blame, or whether the Government have been remiss.

Senator FAIRBAIRN.—I will get the Minister to show me that balance-sheet.

Senator E. D. MILLEN.—Here is the paper.

Senator FAIRBAIRN.—I should like to see it in the public press.

Senator E. D. MILLEN.—The Government cannot take any responsibility for what appears, or does not appear, in the press. All that the Government can do, and all that the Government is required to do, is to make the information available to members of the Parliament. But I exonerate myself, and other honorable senators, from any lapse of knowledge concerning these documents. They come in so rapidly and accumulate in such numbers that it is beyond the capacity of any member to make himself familiar with the contents of all.

Senator FAIRBAIRN.—That is a reason why we should limit Government activities.

Senator E. D. MILLEN.—We might, of course, abolish the shipping line, and thereby cut out one activity. But that is not the point upon which I desired to speak. All I am saying is that the request which the honorable senator made is being complied with.

I come now to the question raised by Senator Senior in relation to the retirement of certain postal officials in South

Australia. An important legal point is involved in that issue, in spite of the decision of the Court, and as I told the honorable senator the other day, the Government is bringing the matter under the notice of the Crown Law Officers. With the relief shortly to be expected through the adjournment of another place the Government hope to be able to arrive at a final decision, at an early date, and I shall then be in a position to give the honorable senator a definite answer.

Senator Wilson referred to the question of the tightening of the Treasury system in relation to warrants. As he himself pointed out, he has been anticipated by the action of the Treasurer. Sir Joseph Cook has taken action to introduce the practice of a continuous audit which Senator Wilson alludes to, and which, I suppose, most people with any business knowledge approve.

I only want now to deal with a matter which I find is uppermost in the minds of all honorable senators, and that is the insistent demand for economy, and in this connexion I venture to say that deeds speak louder than words. The Government also have said that it believes in economy, and has done something to show that its belief is not a mere fictitious one. When moving the second reading of this Bill I pointed out that the Government had effected a reduction in the Estimates of £4,250,000 on last year's expenditure, notwithstanding that the Estimates had previously been pruned severely by the Treasury.

Senator THOMAS.—Does that mean that some portion of that £4,250,000 was more than the Departments required?

Senator E. D. MILLEN.—When Senator Thomas makes that suggestion he very much underrates the capacity of a Department to spend money. Any Department I know of that is worthy of the name can, I think, spend all the money we care to give it. The fact that there has been a saving of £4,250,000 on Estimates that had been previously pruned indicates, I submit, a sincere desire on the part of the Government to cut down public expenditure.

Senator GUTHRIE.—Does it not indicate that the estimates had been too high?

Senator THOMAS.—Decidedly.

Senator E. D. MILLEN.—It does not. If Senator Guthrie's statement were correct there would be no credit in effecting a saving anywhere. It would simply mean that the Estimates were inflated, and that cutting down was no economy.

Senator THOMAS.—Then the Departments must have sent in estimates amounting to £8,000,000 more than was actually spent?

Senator E. D. MILLEN.—Many Departments submit estimates in which provision is made for various projects which are afterwards deleted. Senator Thomas, as an ex-Minister, must be familiar with the natural desire of Departments to meet all their possible needs. It is the duty of the Treasurer to check that tendency, and I submit that he has done so. Whether he has done it to the extent which some persons who are not charged with responsibility consider that it should have been done is another matter. But the substantial saving which has been effected during the year that has just closed may be accepted as an indication of the policy which the Treasurer will pursue in the future.

Senator WILSON.—The Minister does not mind us indorsing that policy?

Senator E. D. MILLEN.—Not at all. But I would have appreciated the honorable senator's remarks much more had he said, "We commend the Government for following that policy, and we shall give it our support in the future." Instead I heard the honorable senator pleading for economy, as if economy had not already been effected.

Senator THOMAS.—In what Departments have the £4,000,000 to which the Minister has referred, been saved?

Senator E. D. MILLEN.—There was a saving upon the Estimates of £1,440,000 in connexion with the Australian Expeditionary Force, interest upon loans represented £668,000, and there was a saving of £717,000 upon the ordinary departmental services.

Senator PEARCE.—The saving upon defence was £300,000.

Senator E. D. MILLEN.—I am afraid that I have not in my possession the other particulars necessary to enable me to definitely answer the question put by Senator Thomas.

Senator THOMAS.—Nothing could have been saved in the Postal Department, because the cry was that it was unable to do all that was demanded of it.

Senator E. D. MILLEN.—I regret that I have not with me the complete figures necessary to enable me to answer the honorable senator's question. We do not object to the exercise of economy, especially in a time of financial stress like that through which we are now passing. But I ask honorable senators to recognise that the Government have taken early steps to meet the need which is being pressed upon us in all directions. Having set out upon the good course—

Senator WILSON.—“Started” is a better word.

Senator E. D. MILLEN.—To make a start is the most difficult thing of all. The honorable senator said something the other day in regard to a temptation. He knows that it is the most difficult thing in the world to resist that temptation.

Senator GUTHRIE.—Are not the Departments inclined to be overstaffed?

Senator E. D. MILLEN.—That is a very old cry indeed. Speaking generally, I do not think that they are overstaffed under the system upon which they are being worked. Senator Wilson has been pleading for more officers in the Auditor-General's Department.

Senator WILSON.—The Auditor-General has given evidence upon oath that he has not sufficient men.

Senator E. D. MILLEN.—It is frequently stated that our Departments are overstaffed; but inquiry has always elicited the fact that they are really understaffed. Whether it would be possible, by means of the introduction of another system, to reduce the existing staff, is quite another matter. But it is not possible to liken a Department to an outside business.

Senator WILSON.—Our Departments need to get as nearly like an outside business as possible.

Senator E. D. MILLEN.—That “nearly like” would be a long way off. Whether the Government have achieved the impossible by satisfying everybody I cannot say; but they have at least given evidence of a genuine desire to reduce ex-

penditure, as far as is compatible with efficiency. We shall continue to do that; but we will not starve a Department merely for the purpose of saying that we have effected a saving in the public expenditure of this country.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 to 3 agreed to.

Clause 4 (Limit of period of expenditure).

Senator PRATTEN (New South Wales) [12.7].—I should like to know from the Minister who is in charge of the Bill upon what date, approximately, it will be necessary to obtain a further grant of Supply?

Senator E. D. MILLEN.—This Bill will carry us to the 30th September, so that it will be necessary to get a further grant of Supply in September to enable us to meet the payments which will fall due early in October.

Clause agreed to.

Schedule.

THE PARLIAMENT.

Proposed vote, £7,799, agreed to.

PRIME MINISTER'S DEPARTMENT.

Proposed vote, £33,104.

Senator PRATTEN (New South Wales) [12.8].—I should like to know what custom obtains in connexion with the auditing of the accounts of our Commonwealth Departments. So far as I have been able to peruse the official reports from the Auditor-General, my impression is that he is behind with various audits; in some cases, to the extent of a year or eighteen months. In view of the report of that officer himself, and of the disclosures which have recently been made in connexion with the activities of other Departments, I think that the Auditor-General's Department should be strengthened—irrespective of the cost that may be involved—to such an extent as will enable him to carry out continuous audits of the accounts of Departments which are responsible for heavy expenditure. It is not in the interests of true economy that we should stint the Auditor-General of any expenditure that may be necessary to provide him with the assistance that he requires.

Senator PEARCE (Western Australia—Minister for Defence) [12.11].—It is not the rule, but the exception, for the work of the Auditor-General to be in arrears. He has been behind only in isolated cases. The most notorious case, of course, was in connexion with the Cockatoo Island Dockyard.

Senator PRATTEN.—I would remind the Minister that the Auditor-General himself, in at least one report two or three years ago, brought this matter under the notice of Parliament.

Senator PEARCE.—I am coming to that. It is a fact that two years ago the Auditor-General stated that he was handicapped by reason of an insufficient staff, and complained that his requests for assistance had not been complied with. But that complaint has since been met. His staff has been increased. The Government are also meeting the complaint in another way. In the Public Service Bill which is now before the Senate, provision is made that the Auditor-General shall become a permanent departmental head, and he will, therefore, have control of staff matters himself. Consequently, the Government have recognised the wisdom of the course which has been advocated by Senator Pratten. They have provided the Auditor-General with an increased staff, and they propose to vest in him the power to appoint and control his own staff.

Senator PRATTEN.—The honorable gentleman recognises the advantages which the adoption of that course will confer upon Ministers themselves?

Senator PEARCE.—Precisely. The report of the Auditor-General, which I laid upon the table of the Senate to-day in connexion with the Commonwealth factories is for the year ended 30th June, 1920, and it may, at first glance, seem as if that fact is indicative of delay. But the Auditor-General, it must be remembered, cannot commence his audit of the accounts of any Department until the financial year has closed. Consequently, his report cannot be presented to Parliament until some months later. The increase which has been made in his staff, and the granting to him of the power to control that staff, for which provision is

made in the Public Service Bill, will bring about a more desirable state of affairs.

Proposed vote agreed to.

TREASURY DEPARTMENT.

Proposed vote, £101,820.

Senator PAYNE (Tasmania) [12.14].—It seems to me that the expense involved in the conduct of the Maternity Allowance Office is very heavy. It is equivalent to £12,000 a year, and, compared with the expenditure incurred in the conduct of other offices under the control of the Treasury, it seems to be somewhat excessive. I am gratified to know that last year a larger sum was paid in maternity allowances than was spent during the previous year. The expenditure under this heading for the financial year which has just closed was £70,000 in excess of the estimate.

Senator DUNCAN. — The Australian baby is our best asset.

Senator PAYNE. — I am gratified to know that the estimated expenditure of the Treasurer was exceeded. I am of opinion that this particular branch of the Treasury Department should be carried on satisfactorily at less expense than is indicated by the vote appearing in this schedule, which represents the expenditure for only two months' working.

Senator PEARCE.—Covering a total expenditure of how much?

Senator PAYNE.—I do not, at the moment, remember the total amount of expenditure involved.

Senator PEARCE.—It is up to £630,000 a year.

Senator PAYNE.—I am anxious to see the expenditure curtailed to a great extent in the near future. I have entered my protest time after time, since I have been a member of the Senate, against the continuance of the maternity allowance under existing conditions. It is not fair that persons in the community, who find it difficult to meet existing taxation, should have to contribute to a maternity allowance for people whose financial position is such that they are in no need of it. This matter should be considered at the earliest possible moment, with a view to curtailing, as far as possible, the

expenditure involved in the payment of the maternity allowance under existing conditions.

Senator PEARCE (Western Australia—Minister for Defence) [12.17].—I do not think that the particular vote to which the honorable senator has referred can be cavilled at. It covers contingencies as well as salaries, and represents an average annual payment of £11,400. A great deal of work has to be done in connexion with this particular branch of the Department of the Treasury. Money orders have to be sent throughout Australia, and amounts checked. The staff is administering a total expenditure of £630,000 annually, and the vote for salaries and contingencies represents an office expenditure of only $1\frac{3}{4}$ per cent. That cannot be regarded as a high percentage for administration of a scheme which operates throughout the Commonwealth.

Senator DUNCAN.—I think it is remarkably low.

Senator PEARCE.—The branch is really economically worked. This does not affect the way in which the money is spent. That is not a matter for which the officers of the branch are responsible. This Parliament is responsible for that, and Senator Payne probably knows that I think the money could be spent to better advantage than it is at present. The Treasurer (Sir Joseph Cook) has announced that, at the first opportunity, the Government will take into consideration the question of how this money can be expended to better advantage.

Senator PRATTEN (New South Wales) [12.19].—Reading between the lines, a statement made by the Acting Prime Minister would indicate that he believes it to be necessary to spend more money on the Taxation Office. Such a suggestion has my support. For some years the Taxation Office has been faced with the difficulty that it has been losing many of its best officers owing to the miserable salaries that can be offered by the Commissioner for Taxation.

Senator PEARCE.—And the temporary nature of the employment of many officers.

Senator PRATTEN.—Exactly. Any step taken by the Treasurer (Sir Joseph Cook) in the direction referred to would

be regarded by me as tending to greater efficiency, and greater efficiency, in my view, represents greater economy.

I do not propose, in discussing this schedule, to deal with the general principles on which the finances of the Commonwealth should be administered. But I do wish to refer to another matter of administration connected with the Taxation Office, and, to some extent, with the Crown Solicitor's Department. I refer to the indefinite position at present existing with regard to the attempted taxation of bonus shares. I have gone into this question, because it is agitating the whole of the commercial community of Australia. I am referring to the matter now in order that my remarks may be recorded in *Hansard*, for the consideration of the Treasurer at his convenience. The position, so far as I can ascertain, is that the Commissioner for Taxation thinks that under the present law the action he is proposing is mandatory. If the action proposed by the Commissioner for Taxation is carried to the conclusion to which he suggests it should be carried, I am afraid that tragic injustice will be inflicted upon thousands of shareholders in New South Wales. A period of inflation has been followed by the present period of deflation. So far as I can see, the commercial community, as a whole, will scarcely be able to retain, and, in fact, will lose, during the present period of deflation the profits, if any, which they made during the period of inflation. As an illustration of the unfair and unjust effect of the taxation of bonus shares, if carried out as proposed, I may refer to some shares in which I am indirectly interested as a trustee. I think that a year or two ago about one share in ten was given in the capitalization of reserve profits that had already paid a flat rate of taxation. The whole of the shares in the company, the one in ten given, and those paid for at par, are now valued on the market at 3s. per share, and I am doubtful whether they will ever bring any more.

Senator CRAWFORD. — Are they £1 shares?

Senator PRATTEN.—Yes. I give this as an illustration of the injustice that is going to be done if we are not very careful. I do not desire that the Commissioner of Taxation or the

Crown Law authorities should lead the Government into a position where the High Court may have to intervene, and where, if it does not intervene, complexities and complications will arise which, so far as administration is concerned, will be worse than those which arose in connexion with the administration of the war-time profits tax. I do not expect the Minister for Defence (Senator Pearce), who is in charge of the Senate, to give a direct reply to my remarks, which are merely intended to initiate a serious consideration of the whole question involved.

I find that, under the heading of "Miscellaneous," there is a vote included for the maintenance of persons admitted into charitable institutions and hospitals. I have promised the inmates of hospitals in my own State to do my very best to secure for them an extra allowance where-with to purchase sweets, tobacco, or papers. The matter has been referred to on more than one occasion by more than one member of the Senate. It would not cost very much to do what is suggested, and it would add to the alleviation of the conditions of life of elderly people who, in accordance with nature's laws, have not very much longer to live. I feel sure that if these remarks are passed on to the Treasurer he will, in view of the large surplus that has resulted from the year's transactions, be in a frame of mind to consent to earmark the few hundreds of pounds required to comply with the suggestion I have made.

Senator PEARCE (Western Australia—Minister for Defence) [12.28].—No one can read the annual report of the Commissioner of Taxation without realizing the force of what Senator Pratten has had to say about his staff. I take it that one of the matters to which the Public Service Board will have to give its attention is that raised in the, in some respects, rather alarming report of the Taxation Commissioner. The Commissioner has been losing some of the most experienced officers of his staff, and he rightly complains that a very large number of temporary officers in his branch are dealing with highly confidential matters. The Government believe that the Public Service Board will realize the seriousness of the position, and will be able to suggest alterations which will lead to improvement.

I would remind honorable senators that in the Public Service Bill we are proposing that the Commissioner of Taxation shall be given the power of a permanent head in order that he may be able to deal more directly with his own staff.

In regard to the taxation of bonus shares, Senator Pratten has said that he does not expect me to do any more than refer his remarks to the Treasurer (Sir Joseph Cook). That I will do. I know that the matter to which the honorable senator has referred is at the present moment the subject of consideration between the Commissioner of Taxation and our legal authorities.

With regard to the item under the heading of "Miscellaneous," to which reference has been made, the vote covers payments to the institutions and not to the inmates of those institutions. The matters raised by the honorable senator are receiving the attention of the Treasurer, and his remarks will be brought under that right honorable gentleman's notice.

Proposed vote agreed to.

ATTORNEY-GENERAL'S DEPARTMENT.

Proposed vote, £13,415, agreed to.

HOME AND TERRITORIES DEPARTMENT.

Proposed vote, £87,503.

Senator SENIOR (South Australia) [12.30].—Under "Miscellaneous" appears an item of £3,400 for "Administration of the Electoral Act." What is that for, and why is it separated from the heading, "Electoral Office," for which £12,310 is to be voted? Surely, if there is any unforeseen expenditure in the administration of the Electoral Act, it should appear as "Contingencies," under the Electoral Office.

Senator PEARCE (Western Australia—Minister for Defence) [12.31].—I admit that Senator Senior has placed his finger on "one of those things that no fellow can understand." There is no reason, so far as I can learn, why the item should not appear under the Electoral Office. Apparently, they have had these two separate divisions from time immemorial. I do not know why this item should not be included as "Contingencies" under the Electoral Office, but there it is.

Senator PRATTEN (New South Wales) [12.32].—As one of the representatives of a State which is likely to gain through the completion of any redistribution of

seats following the recent census, may I ask the Government when the population figures will be finalized, and how soon afterwards the Electoral Commission is likely to be constituted?

Senator VARDON.—Is the honorable senator after another seat?

Senator PRATTEN.—Naturally, we in New South Wales are all interested in the matter. If the Minister cannot give me an immediate answer, perhaps he will endeavour to supply the information at no distant date.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [12.34].—The provision in the Constitution for the re-distribution of seats according to the census figures operates automatically, but I believe we suspended its operations during the war, although the population figures had altered, because so many of our men were away. The census has since been taken; but although various statements have appeared in the press as to the population figures, the Electoral Department cannot act until it receives figures which are officially certified to be correct. The initial preparations are now being made, but the Department cannot act, because it has not received the figures officially certified by the head of the Census Branch. Immediately the Department is ready, arrangements will be made for the appointment of Commissioners to re-allot the seats according to the proportional figures under the Electoral Act. We aim at equal electorates; but there is always a margin allowed on each side, in order to enable the Commissioners to consider what is known as community of interest.

Senator WILSON.—Is that likely to be completed before the election?

Senator RUSSELL.—Yes. It is compulsory under the Constitution, and no undue delay will take place. I cannot fix the date, but if the honorable senator will ask a question a little later, I shall endeavour to obtain full information for him.

Senator PRATTEN.—Is it the intention of the Government to go right on?

Senator RUSSELL.—Yes. I do not think the Government have any option.

Senator SENIOR (South Australia) [12.37].—I should like a little light on the item of £800 for the development of oil-fields in Papua. Nothing appears to be provided under Papua for salaries, and I am at a loss to know how the development of the oil-fields is being carried

out. I read the last report on the subject carefully, and the only impression I could gather was that the whole of the management might almost be termed illusory. It is impossible to pin things down, or to know what is being done. There is no doubt that there are prospects of oil in Papua, but the method of development that has been adopted seems to call for careful examination. I am not satisfied whether this item is to be charged to a separate account, or to go under "Contingencies" in the expenditure on Papua. If £800 will be sufficient for the operations for over two months, I cannot believe that they are really in earnest in their search for oil in Papua.

Senator WILSON.—£100 a week should provide for a fair search.

Senator SENIOR.—They put down eight or nine bores in Papua in a comparatively short space of time. I admit that the depth is not great, but if the work is continued on that scale, £100 per week will not cover it. I do not think it is sufficient to provide for satisfactory exploration. If it is intended only to conduct a scratch search, we should be told so. This money may be intended for the survey, or for trial bores, or for officers' salaries, or for the repairing of machinery; but no definite information is given in the Bill.

Senator PEARCE (Western Australia—Minister for Defence) [12.39].—The item represents the payment for the boring which is now going on. Some time ago the Government was conducting the boring operations in Papua, but later it was decided to change the system and get the Anglo-Persian Oil Company, in which the Commonwealth is a shareholder, to do the boring with its experts. The Company is doing that work, but not for itself. Any oil which it strikes will belong, not to it, but to the Commonwealth Government. This money is to pay for two months of that work.

Proposed vote agreed to.

DEFENCE DEPARTMENT.

Proposed vote, £245,100.

Senator PRATTEN (New South Wales) [12.41].—A number of matters have been brought under my attention by rifle clubs and associations, but I prefer to place them privately before the Minister for his

consideration. In the circumstances, that perhaps will be the better way; but it would be well for the Minister, at his convenience, to make a general statement, for the information of the people of Australia, about what the Department is doing in the direction of building up manufacturing activities so as to make our home defence self-contained. On several occasions the Minister has stated, by interjection, that the Department is doing that; and I think that there is a growing feeling among members of Parliament in the direction of making Australia self-supporting, so far as concerns munitions, explosives, rifles, munition parts, and so on.

Senator PEARCE (Western Australia—Minister for Defence) [12.43].—The course suggested by Senator Pratten is not only desirable, but it represents a duty which the Minister owes to Parliament. The honorable senator, however, will recognise the difficulty in which I find myself. At present the policy is embodied in a proposal which is before the Treasurer, and until I know the fate which it will meet at the hands of the Treasurer (Sir Joseph Cook) and the Cabinet, it is impossible for me to say what is going to be done in the ensuing twelve months. I made a statement the other day to the Senate on the important question of munitions supply, and produced a sample of what the Department had initiated in the way of shell fuses. It will be sufficient to say at this juncture that, for the last year of which I can speak, one-third of our total expenditure was on the munitions supply branch. In that way we are endeavouring to establish factories to supply our requirements. It is the intention of the Government to establish works such as they have in Great Britain—of course, not to the same extent—so that, in the event of war, we would have a nerve centre and factories that could be turned over for war production. It would be most uneconomical to build factories and have idle plants and staffs on our hands. The policy adopted during the war was to convert factories into establishments for producing war material, and we are laying our plans in that direction. The munitions supply branch will be the nerve centre, and, during times of peace, stock will be taken of existing factories, and

their possible production of war material. Where necessary, plants will be installed for peace purposes, which can be utilized for the manufacture of war material should the occasion arise. Briefly, these are the lines on which we are acting. It is economical, and the experience of war shows that it can be done. In Great Britain, even gramophone factories were converted into establishments for the production of war material, and when the Estimates are submitted in September, a statement will be submitted to Parliament indicating the steps we propose taking during the ensuing year.

Senator ROWELL (South Australia) [12.48].—Will the Minister for Defence (Senator Pearce) give the Committee some information concerning the pay of permanent officers? Does the amount in the schedule cover the Head-quarters and District staffs, including the Divisional staff?

Senator PEARCE.—Permanent divisional officers are included.

Senator ROWELL.—Does it include commanders?

Senator PEARCE.—Where they are included, the amount covers their salary.

Senator WILSON (South Australia) [12.49].—Recently information has appeared in the press concerning the staff at the Duntroon Military College.

Senator PEARCE.—That information was given in Parliament.

Senator WILSON.—To the effect that there were two or three officers to each student.

Senator PEARCE.—The statement in the press was incorrect.

Senator WILSON.—Perhaps the Minister will state the true position, so that honorable senators may have an opportunity of discussing it.

Senator PEARCE (Western Australia—Minister for Defence) [12.50].—I am glad that Senator Wilson has raised this question, as it gives me an opportunity of explaining the apparent disparity between the number of officers—not merely at the Military College, but also at the Naval College—and the number of cadets undergoing training. This information was asked for in Parliament, and a return was laid on the table of the Senate. At this juncture the position appears much worse than it would in any other year, because last year there was a falling off in the

number of cadets. The number at present attending that institution is between thirty and forty, which is below the average; but it has to be remembered that both these Colleges are isolated from any town, and consequently we have to provide certain conveniences which civilized people require. If honorable senators will refer to page 10000 of *Hansard*, they will find a return giving details concerning the staff at the Military College. It has been stated that there is a staff of 170, but, as a matter of fact, the actual staff of instructional officers at the Military College numbers 31. There are, however, 107 others, making a total of 138, who are paid by the Government. But there are thirty-two who are not paid by the Government, although their names appear on the staff of the institution.

Senator FAIRBAIRN.—Who pays them?

Senator PEARCE.—The cadets and officers at the College. There is a chief steward and thirteen other employees in the cadets' mess, and their salaries are paid by the cadets, and not by the Government. Those employed in the laundry are also paid by the various messes. If the Colleges were situated in a city, we would not have to provide a hospital; but I am sure honorable senators would be the first to censure the Defence Department if, when cases of sickness occurred, a hospital was not available. We have to provide a medical officer and two nurses, and these, of course, have to be included in the *personnel*. Houses also have to be provided for the staff. Those honorable senators who have had the opportunity of visiting Duntroon will realize that there are a large number of buildings to be maintained, and to keep the buildings and grounds in order, tradesmen and labourers have to be employed, and naturally they appear as on the staff. No private business establishments are allowed at Duntroon or at Canberra, and, in consequence, the Government have established a canteen, from which the residents can purchase stores. The canteen is in charge of the quartermasters, who are members of the College Staff. All the employees in the different Departments have to be under our control and that is why the list appears somewhat long.

Senator WILSON.—What is the number of cadets to each officer?

Senator PEARCE.—There are 85 or 86 cadets, and 31 officers on the staff.

Senator WILSON.—There is one officer to every three cadets?

Senator PEARCE.—Approximately.

Senator WILSON.—Is not that a bit "hot"?

Senator PEARCE.—Has the honorable senator visited the College?

Senator WILSON.—Yes.

Senator PEARCE.—When operations have been in full swing? If the honorable senator has not, I invite him to do so.

Senator WILSON.—In large schools and colleges in Australia there is one master to every fifty students.

Senator PEARCE.—Comparison should be instituted with the universities and not the public schools.

Senator WILSON.—I shall give the Minister some interesting figures, perhaps, next week.

Senator PEARCE.—I have always insisted that the staff shall be kept at the lowest possible level. Those in charge of the instructional duties have assured me that all the members of the staff are fully and necessarily employed, and I must accept their statement. The College is inspected by the Inspector-General, and by others, who are making investigation in an endeavour to effect economy. The committee at present making investigations will in time visit the Military College to see if the services of any of the staff can be dispensed with. The committee appointed to inquire into the administration of Government Departments also visited the College, and made inquiries concerning the number employed and the duties they were performing, and as it did not recommend any reduction, I must assume that the work there compares favorably with that of the Naval College, particularly as the annual cost is £10,000 less.

Senator FAIRBAIRN.—When is the number of cadets likely to increase?

Senator PEARCE.—In December of this year. After the termination of the war Canada had a similar experience, as the usual number of military students were not forthcoming.

Proposed vote agreed to.

Department of the Navy, proposed vote, £329,166, agreed to.

DEPARTMENT OF NAVY AND DEFENCE (AIR SERVICES).

Proposed vote, £55,000.

Senator DUNCAN (New South Wales) [12.55].—I shall be glad if the Minister for Defence (Senator Pearce) will supply the Committee with some information concerning the development of the Civil Aviation Branch. An amount of £25,000 is to be applied to this purpose—

Senator PEARCE.—It will suit my convenience if the honorable senator will give me the opportunity of making a short statement on this matter before the luncheon adjournment.

Senator DUNCAN.—I am quite willing to do that.

Senator PEARCE (Western Australia—Minister for Defence) [12.56].—I am indebted to Senator Duncan for allowing me to make a statement on this matter at this juncture. The Government do not believe that the subsidizing of "joy-riding" is in the interests of civil aviation, and although considerable pressure has been brought on the Government to subsidize aviators flying for ordinary purposes, we have said that it cannot be done. We believe that if civil aviation is to be of any use to the country the subsidizing of those who merely fly round our big cities, and from capital to capital, will not have the desired result. No advantage would be gained by subsidizing those who fly between points where there is already speedy means of communication, and the Government believe that if the aeroplane is to be of any value it ought to be used for the development of the out-back country, particularly in the direction of rendering speedy medical service in remote centres of population. Tenders will be due on the 30th July for conducting services between Geraldton, in Western Australia, and Derby, and Sydney, and Adelaide. Although the last-mentioned are capital cities, the intervening country is sparsely populated, and an air service would assist in its development.

Senator DUNCAN.—The Defence Department will not bear the whole of the cost. I presume the Postal Department will contribute its share.

Senator PEARCE.—It is all to be taken from the Air Services vote. Tenders have also been called for a service between Sydney and Brisbane, and particulars for one between Toowoomba, Charleville, and Longreach, linking up with the interior

country of Queensland, are being obtained. That is the best type of service we can render to Australia, and it is our intention to proceed along those lines. We are co-operating with the Western Australian Government in an endeavour to be of assistance, particularly to women in the out-back districts who are living long distances from any medical officers. The Western Australian Government have undertaken to arrange for medical officers to attend at certain points on the route, and to bear the cost incurred.

Proposed vote agreed to.

Sitting suspended from 1 to 2.30 p.m.

DEPARTMENT OF TRADE AND CUSTOMS.

Proposed vote, £108,551.

Senator PRATTEN (New South Wales) [2.30].—I had prepared myself for some extended discussion in connexion with this Department, but, as time will not permit at this stage, I shall content myself by saying that I am in hearty agreement with the remarks made by Senator Thomas. It is necessary, I understand, to pass the Bill by, at the very latest, half-past 3 to-day, in order to meet the convenience of members in another place. Although I think the temper of the Senate is to meet the wishes of members in another place this time, in future I hope we shall suit our own convenience.

Senator THOMAS.—That is said in regard to every Supply Bill.

Senator PRATTEN.—I agree with the honorable senator. I had proposed to discuss three or four matters, including the question of exchange in foreign countries, about which I made remarks that stand to-day, and are contained in *Hansard* of 12th May, 1920, pages 1979 and 1980. Another question I proposed to deal with, but which can conveniently be raised on the Tariff Bill, is the administration of the Excise Department in relation to both home-made and imported spirits. The increase in the cost and number of employees in the Quarantine Department is a further matter that may be discussed on another occasion. The fourth question upon which I had intended to speak was the incidence of the Navigation Act in relation to ferry steamers in Sydney Harbor.

Senator DE LARGIE.—The steamers do not come under the Navigation Act.

Senator PRATTEN.—My honorable friend is not informed of the circumstances now prevailing in connexion with the Sydney Ferries Company. They have had to register their steamers under the Navigation Act, and at present they do not know where they stand, but an effort will be made before the Act is enforced next November to exempt ferry steamers, and I hope it will be successful.

Senator VARDON (South Australia) [2.35].—I wish to direct attention to the item £630 for Bureau of Commerce and Industry. This matter was discussed yesterday in connexion with another Bill, and I can easily understand that the Minister (Senator Russell) representing the Minister for this Department is not fully acquainted with all the details. For instance, Senator Russell said yesterday that the functions of the Bureau of Commerce and Industry were not in any way comparable with those of the proposed Tariff Board. But both Departments will be administered by the Minister for Trade and Customs (Mr. Greene), and if honorable senators will examine the functions assigned to them they will see that they are similar in many respects. The amount provided in this Bill represents two months' expenditure, or a total of about £4,000 a year. I understand that the chairman receives £1,500 a year, and, as the Bureau does not meet very often, it is comparatively expensive. The Minister, I think, would be well advised to give attention to the desire of the Senate and see if these two Departments cannot be amalgamated.

Proposed vote agreed to.

DEPARTMENT OF WORKS AND RAILWAYS.

Proposed vote, £125,810.

Senator ROWELL (South Australia) [2.38].—I do not see any item providing for expenditure in connexion with the Murray waters scheme. Can the Minister give the Committee any information?

Senator E. D. MILLEN.—I am assured that that comes under the heading of loan expenditure.

Senator WILSON (South Australia) [2.39].—I wish to direct attention to the lax administration of the Department in connexion with the realization of used machinery and material required for the construction of the East-West railway. Recently I was in Port Augusta, and saw,

standing in the open, immense stacks of implements and machinery, which, of course, deteriorates very quickly.

Senator E. D. MILLEN.—Is that construction plant?

Senator WILSON.—Yes. A gentleman I met wanted to buy some of the Government tip trucks for the salt company in South Australia, but he became so disgusted with the delay in the negotiations that he bought elsewhere, although the Commonwealth trucks would have suited him much better, and he was prepared to pay market rates for them. I do not know what value the departmental officials place upon these tip trucks, but I sold some myself recently at £20 a piece. Without exaggeration, I can say that I saw hundreds of picks exposed to the weather. All this material should have been sold upon the completion of the railway, because a few years ago there was a great shortage of all such requirements throughout Australia, and fair prices would have been realized. I even came across a number of railway motor tricycles still exposed to the weather.

Senator DE LARGE.—They are to be seen lying at several sidings along the whole length of the line.

Senator WILSON.—That only emphasizes what I say. Of course, we do not expect the Minister to be riding about the country in order to get acquainted with all such details of administration, but they have their officials, and should be informed. Senators, also, have their responsibilities. It is their duty to bring these matters directly under the notice of the Government, so that the position may be remedied. There is a ready sale for this material to-day. I hope the Minister will direct the attention of the Minister for Works and Railways to the matter.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [2.42].—As soon as the *Hansard* proof of the honorable senator's remarks is available, I shall see that it is brought under the notice of my colleague who controls that Department.

Proposed vote agreed to.

POSTMASTER-GENERAL'S DEPARTMENT.

Proposed vote, £1,060,730.

Senator DUNCAN (New South Wales) [2.43].—I have one matter to mention under this Department. It is an old

grievance, one that has been raised before, but without any great amount of satisfaction, either to the Department concerned or to the firms who are continually complaining. I refer to the registration of telephone calls. In this connexion I have been supplied with certain information by the Australian Mutual Provident Society, of Sydney, whose complaint is supported by a great number of leading firms in Sydney today. The Society protests against what it considers is undue laxity on the part of the Department in this matter, as a result of which it is being mulct in the payment of certain moneys not owing by it to the Department. The Sydney office of the Australian Mutual Provident Society has kept a careful record of its telephone calls from 1st November, 1913, to 30th April, 1921. During that time, according to the record, the calls numbered 9,247, whereas the departmental charge is for 13,668 calls, representing an overcharge of about 50 per cent. In a communication to me, the Society states—

As a result of a protest, in the half-year ended October, 1916, the line was "observed" by the Postal Department, and the result for that and the succeeding half-year suggests that our protest had some effect. Before and subsequently, however, there has been a considerable overcharge. Our record is carefully kept, but, while it may not be absolutely accurate, I am loath to believe that there can be so many mistakes as the comparison of calls recorded and charged would suggest. You will notice that this record has been kept for a period of over seven years. I may also add that since the end of 1918 the telephone switchboard is locked up during non-business hours.

It will be seen that it is not possible for any one to get at the Society's switchboard outside of actual business hours. In a subsequent letter the society points out that the record of the calls made upon the ordinary department telephones is not so complete as is that of the calls made upon the industrial department telephone, but the figures for the last three half-years are as follow:—For the half-year December, 1919, to May, 1920, the society was charged £28 17s. 4d., whereas by its record it should have been charged only £23 8s. 5d. For the half-year June, 1920, to November, 1920, the society was charged £33 18s. 3d., whereas by its record it should have been charged only

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£25 12s. 6d. For the half-year December, 1920, to May, 1921, the society was charged £38 9s. 2d., whereas by its record it should have been charged only £26 6s. 7d. The manager of the company goes on to say—

If when a line was placed under observation a list of the numbers called were made and at once supplied to the subscriber, with the date, there would be some sort of a check on the subscriber's list; but simply to say that the line has been under observation and that everything has been found in order, is most unconvincing and most unsatisfactory. It is not suggested that there is any wilful fault or neglect on the part of the officials, but that the system under which they work might easily be made to conform a little more closely to the requirements of the subscribers, and probably would be made to do so if those requirements were better known to the responsible officials.

If the complaint of the Australian Mutual Provident Society can be established—and it seems to me that upon the facts it does establish a pretty fair case—it is extremely probable that quite a number of other subscribers are resentful of what they believe to be imposition on the part of the Postal Department. It is not in the best interests of the Commonwealth that such a feeling should exist. There should be some means of keeping an official record of the calls actually made—

Senator E. D. MILLEN.—There is. But the honorable senator is not satisfied with that record.

Senator DUNCAN.—There should be some method of keeping an official record of the calls made which would be satisfactory alike to the telephone subscriber and to the Department. In this connexion, the Australian Mutual Provident Society makes a suggestion which the Minister for Repatriation (Senator MilLEN) may well convey to the Postmaster-General. It suggests that some method might be adopted whereby the society could be immediately made aware of the calls being registered against it, so that it might have some better check upon those calls than it has at present.

Senator E. D. MILLEN.—Is any period suggested?

Senator DUNCAN.—No. The manager of the society writes—

If when a line was placed under observation a list of the numbers called were made and at once supplied to the subscriber, with the date, there would be some sort of a check on the subscriber's list.

He would then know in what respect his own list differed from the record kept by the Department. I have brought this matter under the notice of the Minister in the hope that he will refer it to the Postmaster-General, with a view to meeting the very reasonable requests which are being made by big business firms in Sydney, who feel that they are suffering an injustice.

Senator E. D. MILLEN.—I shall have pleasure in acceding to the honorable senator's request, and if he will let me have a copy of the letter from which he has quoted, I shall be thankful.

Senator THOMAS (New South Wales) [2.50].—When the toll telephone was introduced quite a number of subscribers entertained the idea that they were being charged by the Department considerably more than they ought to have been charged. Where complaints were made, we placed the line of the aggrieved subscriber under observation, and we almost invariably found that the record kept by the Department was an accurate one. In all such cases we were in a position to tell subscribers the day upon which certain calls were made, who made them, and who did not. I recollect that amongst the complainants were the International Harvester people. We were able to demonstrate to them that the departmental record of their calls was correct, and they actually thanked us for doing so, because our action led to the discovery that the clerks and others employed in their offices were using the telephone for other than business purposes. Thereupon I made an offer that the line of any aggrieved subscriber would be placed under observation conditionally that he undertook to pay for the cost thus incurred, if his list of calls proved to be wrong, whilst the Department would defray the cost if its own record turned out to be inaccurate. I take it that that practice still holds good. If it does not, it certainly ought to.

Senator ROWELL.—Does the exchange register ineffective calls?

Senator THOMAS.—That can be discovered. For the purpose of recording the calls which are actually made, the Department has installed, in the Melbourne office alone, machinery to the value of £10,000. That machinery keeps

a register of the calls made more effectively than can any slipshod tally such as may be kept at other places.

Senator DUNCAN.—How does the honorable senator know that?

Senator THOMAS.—Because we proved it again and again.

Senator REID (Queensland) [2.56].—We have heard a good deal lately about the need which exists for the exercise of economy. I have a proposal to put before the Committee which I think will lead to that result. I am very sorry that there are no Victorian senators present with the exception of the Vice-President of the Executive Council (Senator Russell). I notice that in the Postmaster-General's Department the amount set down for "Contingencies" in Victoria is £71,000, whereas in the great State of Queensland the amount provided is only £22,000. Similarly, for the large State of Western Australia it is proposed to appropriate under this heading only £21,000. I do not know exactly what the item "Contingencies" covers, but as an example of economy, and knowing that I shall be backed by the Australian Legion and the Taxpayers Association of Victoria, which is trying to convert New South Wales to the same theory, I move—

That the House of Representatives be requested to reduce the item "Contingencies" (Victoria), £71,000," by £5,000.

Senator WILSON.—How can any honorable senator back up the honorable senator without having a schedule before him?

Senator REID.—I have no desire to instruct the Department as to how it shall conduct its business. All I say is that under the heading of "Contingencies," Victoria ought to receive £5,000 less than it is proposed to appropriate for that purpose. It is a compact little State, and the people of the other States are not yelling for economy in the same way as are the people of Victoria. We have not an Australian Legion in Queensland whose members are running round the country trying to convert the heathen. In Victoria, these young men are anxious to instruct this Parliament in the matter of how it shall run the country. Probably we shall have a deputation from them to the Senate to thank us for our action in this connexion. I trust that Victorian senators, who are absent from

the chamber, will be sent for, so that they may give me their support.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.0].—I ask Senator Reid to withdraw the request, first assuring him that, in common with the Australian Legion and other useful institutions of Victoria, I am entirely with him in the demand for economy. This proposal, however, is going at it in a rather blindfold fashion. The honorable senator admits that he does not know what is covered by "Contingencies." If he did, I should say that he was the only man who had that knowledge. When he draws a comparison between the amounts of contingencies for the various States, he overlooks the important fact that the amount allowed for contingencies in each State bears, roughly, the same proportion to the total for that State, and obviously must do so. The amount for contingencies ranges between one-third and one-fourth of the total amount for each State. The honorable senator will have a full opportunity, when the Estimates come up, to go more fully into this question, because, with the Estimates, the Budget-papers will be presented, and he will find all the details set out. In view of the understanding arrived at for the early passage of this Bill, I ask the honorable senator, as he has made his point quite clear, and it has the universal indorsement of the Senate, to withdraw his motion.

Senator REID (Queensland) [3.2].—I withdraw the request. I trust that, in the interim, the Australian Legion, the Melbourne newspapers, and the Taxpayers Association of Victoria, will send up a series of items so that we may be able to reduce the expenditure on Victoria when the Budget is presented to Parliament.

Request, by leave, withdrawn.

Proposed vote agreed to.

War Services, proposed vote, £1,885,881; Refunds of Revenue, proposed vote, £100,000; and Advance to the Treasurer, proposed vote, £750,000, agreed to.

Preamble and title agreed to.

Bill reported without request; report adopted.

THIRD READING.

Motion (by Senator E. D. MILLEN) proposed—

That this Bill be now read a third time.

Senator THOMAS (New South Wales) [3.5].—I should like a little more information regarding the "savings" referred to by the Minister for Repatriation (Senator E. D. Millen) in his speech in reply on the second reading, as having been made for the last financial year. We are all anxious for economy, and I understood the Minister to say that economies had been effected. He said that, when the Estimates were presented to the Treasurer (Sir Joseph Cook), they were cut down by at least £4,000,000. Was that economy, or a reflection on his fellow Ministers? I take it that the Treasurer cut down Estimates which had been approved, not only by the heads of Departments, but also by Ministers in charge of Departments, and which, therefore, went to the Treasurer with the *imprimatur* of his own colleagues. The Minister for Repatriation tells us that, not only did the Treasurer do that, but that the Government discovered, at the end of the financial year, that another £4,000,000 had been saved, or, in other words, that the money provided in the Estimates had not all been spent by £4,000,000. Is that economy, or does that sum represent unexpended balances? Does it indicate that the Departments asked for more money than they could reasonably expect to spend? It has been said, with a certain amount of truth that, in times past, Departments always asked for more money than they expected to get, because, no matter what Estimates they submitted to the Treasurer, the Treasurer always cut them down. I should like to know whether, instead of these "savings" representing real economy, Departments did not ask for £8,000,000 more than they expected to get, and whether the Treasurer gave them £4,000,000 more than they had anticipated obtaining from him? How much of the second £4,000,000 has been saved by means of economies, and what proportion of it represents unexpended balances? For instance, the ex-Postmaster-General, Mr. Webster, complained with a certain amount of justification that, at a certain time he did not get all the money that he asked for. As it was war-time, I do not blame the Treasurer for diverting all the money possible to defence purposes, but it is not always the

truest economy in certain circumstances to refuse to grant money that is required. I should be glad of further information about the £4,000,000 which the Government now tell us has been saved, because it is quite possible that the Treasurer might, in certain circumstances, refuse to grant money, and find, in the long run, that he had not been exercising true economy.

Senator RUSSELL.—Sometimes the Treasurer has no option.

Senator THOMAS.—That is so. The Treasurer's position is very different from that of other Ministers. They are not responsible for raising the money. They do not tax the people. The Treasurer has to find the money, and it is much easier to spend it than to find it. Does the following case of a "saving" represent real economy? Money was placed on the Estimates for the Postal Department to spend, for instance, in purchasing telephones. The amount was ear-marked for that purpose. The telephones were ordered from England, but they had not arrived by the 30th June, and, therefore, that money could not be spent, and we were told that it could not be diverted to the purchase of other telephones, because at any moment those which had been ordered might arrive. Is that what the Government call an "economy"? The Minister for Repatriation says the Government are anxious for economy, and that the fact that £4,000,000 less than was voted has been spent is an evidence of economy.

Senator CRAWFORD.—May not there be unforeseen expenditures to balance instances such as you have quoted?

Senator THOMAS.—That is what I should be glad to know. Can the Minister tell us whether in any Department it has been discovered that work could be done or material purchased for less than the amount of money voted by Parliament for the purpose, while securing the same efficiency? If so, that would represent real economy. I have asked a number of questions which the Minister possibly would be able to answer much more easily if he were allowed a little more time. That reminds me that it is unfair to rush Supply Bills through in this way. Honorable senators want a certain amount of information, and if a Supply Bill was submitted for its first reading on one day,

its second reading on the next day, and the final stages on the third day, they could ask questions and get the information they wanted. Is this Supply Bill for two months based upon the Estimates that were submitted last year, or on the Estimates less the £4,000,000 saved?

Senator E. D. MILLEN.—With the Supply Bill previously passed, the Government, if this Bill is passed, will have obtained £1,417,000 less than the amount voted for the corresponding quarterly period of last year.

Senator THOMAS.—Then we are not voting the same amount of money as last year?

Senator E. D. MILLEN.—We are voting at the rate of £5,600,000 a year less.

Senator THOMAS.—That is satisfactory.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.13].—I am afraid that the somewhat awkward questions put by Senator Thomas arise from my presumption in giving the Senate more information than was actually required on this Bill. The opportunity which Senator Thomas desires to ascertain whether the economies are real or not will be provided on the Estimates, but there was no obligation on me to give as full information as I did give regarding the finances on a Supply Bill which is merely to pay the ordinary running expenses of the Government.

Senator THOMAS.—When a Minister has a majority at his back, I recognise that he has no obligations.

Senator E. D. MILLEN.—In this Chamber it is always difficult to know whether one has a majority or not. It is a case of "save me from my friends." It appears that Senator Thomas' line of argument is that if the Government spend all the money voted on the Estimates they are to be accused of not endeavouring to economize.

Senator THOMAS.—I did not mean that.

Senator E. D. MILLEN.—If that is the case, we are accused of putting forward ill-considered Estimates.

Senator THOMAS.—How did you save £4,000,000?

Senator E. D. MILLEN.—I have already given the honorable senator some particulars. Whether the saving was a general one or postponed expenditure, the one item I have given will answer the

question. A sum of £713,000 was actually saved in the working of the Department, apart from the question of the purchase of telephones. That cannot be deferred expenditure but general expenditure. Regarding the other item in which a saving is expected, I am unable to give the honorable senator the information he desires; but on the presentation of the Estimates I shall come, as I ought to, properly armed with all the details.

Senator THOMAS.—It would be interesting to know how the amount was saved.

Senator E. D. MILLEN.—It will all be interesting.

Senator THOMAS.—When the Estimates are before us I shall ask for that information, and I now give the Minister notice.

Senator E. D. MILLEN.—I can assure the honorable senator that notice is unnecessary.

Question resolved in the affirmative.

Bill read a third time.

Senate adjourned at 3.17 p.m.

House of Representatives.

Friday, 22 July, 1921.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter) took the chair at 11 a.m., and read prayers.

DECLARATION OF PEACE.

Mr. HIGGS.—I ask the Acting Prime Minister whether it is true that the Imperial Government intends to declare, on the 4th August, that Britain is at peace with all her former enemies, and whether, under those circumstances, Australia will automatically cease to be at war with those countries, and all war restrictions will cease to operate?

Sir JOSEPH COOK.—I have no information whatever on the subject, and I, therefore, content myself with expressing the good hope that the condition of the world on the 4th August may be such that Great Britain will then declare herself at peace with all her enemies.

GERMAN PAYMENTS FOR AUSTRALIAN PRODUCE.

Mr. McWILLIAMS.—I ask the Acting Prime Minister if his attention has been drawn to a paragraph in to-day's

newspaper which contains the statement of a man evidently well known in America, that Australia has accepted German Government bonds in payment for wheat and wool, and was offering a year's credit. Has the Government any information on the subject?

Sir JOSEPH COOK.—As the honorable member knows, Bawra is looking after our wool. I know nothing whatever about the statement referred to.

NAVAL COLLEGE AT JERVIS BAY.

Mr. BLAKELEY.—Can the Minister for the Navy tell the House the total number of persons employed at the Royal Naval College, at Jervis Bay, including the instructional staff?

Mr. LAIRD SMITH.—I should have liked notice of the question, and thought that the honorable member would give notice of it. Speaking from memory, the instructional staff at Jervis Bay numbers thirty-three, and the ratings and other men employed there ninety-six. In justice to the institution, I should add that the ratings employed there would have to be maintained by the Navy Department elsewhere if their services were not being used at the College. They must be available in time of war, and the cost of their maintenance is not rightly charged to the College. It must not be forgotten, too, that the College is at a distance from any town, and is consequently more costly to maintain than a similar institution near to a city would be. It has to find its own water supply and its own electric light supply, and these and other services add to its cost.

ROYAL NAVY PENSIONERS.

Mr. MARKS.—In last night's Melbourne *Herald* a cablegram was published stating that the Admiralty is referring to the Australian authorities the position of Royal Navy pensioners who are serving in the Royal Australian Navy, it being suggested that their pensions should be modified because of the deferred pay to which the men are entitled. I wish to know if the Admiralty has communicated with the Navy Board on the subject, and, if so, what reply has been given to its communication?

Mr. LAIRD SMITH.—I read the *Herald* cablegram, but I have not seen any communication from the Admiralty.

PROPOSED LOAN.

Mr. WEST.—Is there any foundation for the report that the Government intends to depart from precedent by issuing a loan at 95 instead of at par, and offering a rate of interest equal to $6\frac{1}{2}$ per cent.? We should know something definite about the terms of the proposed loan before leaving the matter in the hands of the Executive, whose past actions do not inspire confidence.

Sir JOSEPH COOK.—I would not for the world have the honorable member lose his grip of the finances of the country, and for that reason, among others, I shall during the day make a statement about the proposed loan.

WAR SERVICE HOMES.

Mr. CAMERON.—I ask the Minister representing the Minister for Repatriation whether the soldiers are to be penalized in any way for the faulty administration of the War Service Homes Commission, which he admitted in his statement on Wednesday night?

Mr. RODGERS.—Not in any shape or form. I have indicated the policy of the Government about excess costs, and the Minister for Repatriation (Senator Millen) has done the same in the Senate. During the recess, I propose to visit each State with the Chairman of the Business Board, to adjust these excess costs, and I hope that that will be done in a manner satisfactory to the soldier.

WAR PENSIONS.

Mr. RILEY.—Has the Acting Prime Minister a reply to a question which I asked him a fortnight ago about the number of war pensions refused, the number of pensions reduced, and the cost of administering the pensions?

Sir JOSEPH COOK.—I shall endeavour to get the information during the day.

CHILD ENDOWMENT.

Mr. BLUNDELL.—Has the Government come to a decision regarding the claims for child endowment made by public servants who have adopted children, and of widows doing clerical work who have children?

Sir JOSEPH COOK.—In the scheme that has been agreed upon adopted children will occupy the same place as natural-born children, no distinction being made between them. Neither shall we make a distinction between the man employed in the Service, who is the father of children, and the widow so employed who has children. They will receive the same consideration.

Mr. MAKIN.—Will the Acting Prime Minister state whether the Government will make the allowance in respect of the adopted children of members of the Public Service retrospective? Will it be dated back to the time at which the allowance in respect of other children commenced?

Sir JOSEPH COOK.—I should imagine that that is simple equity.

PROPOSED ADJOURNMENT—
BUSINESS OF THE HOUSE.

Mr. GREGORY.—Can the Acting Prime Minister make a statement now as to the length of the proposed adjournment?

Sir JOSEPH COOK.—It is usual to announce that at the termination of the last sitting. Until the Tariff is out of the way we cannot have a prorogation, so that the House must meet again.

Mr. GREGORY.—But you do not propose to recall us within a fortnight or three weeks?

Sir JOSEPH COOK.—I am glad that the honorable member wishes to see the back of Parliament; I am sure that Ministers will be delighted to see the backs of some honorable members, for a little while at least, although we may miss them. Our intention is to call the House together again about the middle of September, but to pass a motion giving Mr. Speaker authority to announce to each member by telegram or letter the date of reassembling. This will provide for any emergency.

Mr. CHARLTON.—Will the Acting Prime Minister state definitely which of the proposals on the business-paper he desires to have passed to-day?

Sir JOSEPH COOK.—Is the whole day at our disposal?

Mr. CHARLTON.—At the moment, I cannot answer the question; but we shall do our best to meet you.

Sir JOSEPH COOK.—As the honorable member is aware, our object is to pass some of the public works motions, and a day or two ago I promised to give the honorable member for Dampier (Mr. Gregory) an opportunity to speak about the Wheat Pool.

Mr. BLAKELEY.—Does he propose to apologize to the wheat-growers for his action?

Sir JOSEPH COOK.—Our intention is to afford the honorable member for Dampier the opportunity I have mentioned, and then to proceed with the motions relating to the carrying out of certain public works that have been recommended by the Public Works Committee. I should like very much, also, to secure the passing of a small Bill relating to bounties.

Mr. CHARLTON.—I presume the Government will invite the House to deal with Government business before considering the motion to be submitted by the honorable member for Dampier.

Sir JOSEPH COOK.—This is the last day of the present sitting, and I must be a little generous to a great question which is profoundly affecting the whole of the people at the moment, and is certainly causing a great deal of agitation and perturbation in at least one State Parliament. I confess I am in the same grip of circumstances, and I want to keep faith with the honorable member for Dampier.

F. W. HUGHES AND CO. LTD.

Mr. McWILLIAMS.—Has a settlement yet been secured of the long standing and very important dispute between the Federal Government and Mr. F. W. Hughes as to the amount of money which it is claimed Mr. Hughes, or a company in which he is interested, owes the Commonwealth? If so, will the Acting Prime Minister state briefly what are the terms of settlement?

Sir JOSEPH COOK.—I regret to say that there is no settlement. The processes of the law are going on, but I am unable to state the precise point that has been reached. I am afraid that there cannot be a settlement of the matter except in the Courts of the country. Meantime Sir Robert Garran is grappling with the subject, and there I must leave it at the moment.

FEDERAL CAPITAL.

ADVISORY COMMITTEE—STATEMENT IN THE "AGE" NEWSPAPER—CONVENTION HALL AND HOSTEL.

Mr. MARR.—Will the Acting Prime Minister direct his attention to the usual weekly lying statement, which appears in the *Age* newspaper, to the effect that Canberra supporters in the House are totally opposed to the Advisory Committee, as at present constituted.

Mr. HECTOR LAMOND.—The statement is a disgraceful slander.

Mr. MARR.—Will the Acting Prime Minister give the statement an emphatic denial? It is also reported in the *Age* that supporters of the Canberra movement are agitating for an expenditure of £100,000 at the Federal Capital this year. I should like the right honorable gentleman to inform the press that we are asking for an expenditure of not £100,000 but £500,000 this year.

Sir JOSEPH COOK.—I do not know that the honorable member's question needs a reply. I was surprised at the adjective that he applied to the newspaper in question. I understood him to refer to it as a "weekly lying paper." Does he spell the word "w-e-a-k-l-y"? Which "weekly" did he intend to use?

Mr. BLAKELEY.—Will the Minister for Works and Railways make to-day his promised statement to the House with reference to the plans for the building of the Convention Hall and Hostel at Canberra, and any other works that may be gone on with at the Capital during the next two months?

Mr. GROOM.—Yesterday afternoon I received from the Advisory Committee a report dealing with the progressive occupation of Canberra. I am, therefore, now in a position to submit at once the whole matter for Cabinet consideration.

Mr. HECTOR LAMOND.—Would it be possible to have the report printed and distributed amongst honorable members before we adjourn to-day?

Mr. GROOM.—The honorable member may see the report.

WAR SERVICE HOMES.

PURCHASE OF HOUSES ALREADY ERECTED.

Mr. BELL.—Arising out of the statement made on Wednesday evening by the Assistant Minister for Repatriation (Mr.

Rodgers), I desire to ask him whether we are to understand that the policy of purchasing houses already erected is to be wholly discontinued by the War Service Homes Department.

Mr. RODGERS.—Not wholly. Where it can be proved that it would be unprofitable to build a new house for a soldier—that a house already erected could be obtained for less than it would cost to build a new one, or where there is a surplus of houses, or other special circumstances of that kind, the purchase of houses already erected will be considered justifiable. It is not intended that there shall be a complete prohibition of the purchase of houses already erected. Where we can get a better asset for the soldier, and at the same time not render more acute the shortage of housing accommodation by purchasing a house already erected, that policy will be pursued.

LEAVE OF ABSENCE.

Motion (by Sir JOSEPH COOK), *by leave*, agreed to—

That leave of absence be given to every member of the House of Representatives from the determination of this sitting of the House to the date of its next sitting.

SPECIAL ADJOURNMENT.

Motion (by Sir JOSEPH COOK), *by leave*, agreed to—

That the House, at its rising, adjourn until a date and hour to be fixed by Mr. Speaker, which time of meeting shall be notified by Mr. Speaker to each member by telegram or letter.

CENSUS COLLECTORS.

Mr. CUNNINGHAM.—Is the Minister for Home and Territories aware that, owing to wet weather in certain parts of the country, some of the census collectors were unable to complete their work within the allotted time? If so, will he consider the advisableness of making them an allowance in respect of the additional days so worked by them? In the absence of the honorable gentleman, I have not been able to get such payment for these men from his Department.

Mr. POYNTON.—If the honorable member will submit specific cases to me, I shall make full inquiries, and see that justice is done.

DISABILITIES OF TUBERCULAR SOLDIERS.

Mr. BLUNDELL.—Some time ago a deputation of members of this Parliament waited upon the Minister for Repatriation (Senator E. D. Millen) in order to point out certain disabilities suffered by tubercular soldiers. The honorable senator promised that he would go into the whole question, and endeavour, by amending the regulations, to remove some of the disabilities of which complaint was made. Will the Assistant Minister state whether a decision has been arrived at?

Mr. RODGERS.—This is a matter with which the Minister himself is dealing directly, since it affects the Department of Repatriation. I understand from him, however, that he has favorably considered the representations made, and I hope that a direct answer to the deputation will be available forthwith.

COMPULSORY TRAINING.

CONTINUOUS CAMPS FOR CADETS.

Mr. RILEY.—It has been brought under my notice that it is proposed to require cadets to put in whole-day drills, and also to go into continuous training camps for three weeks. Will the Assistant Minister for Defence inform the House what is actually to be done in that direction?

Sir GRANVILLE RYRIE.—I have no knowledge of a proposal to hold a continuous training camp for three weeks.

Mr. MATHEWS.—Is the honorable gentleman sure that his officers would not make arrangements for such a camp without his knowledge?

Sir GRANVILLE RYRIE.—I am. I think the honorable member for South Sydney (Mr. Riley) has been misinformed as to the holding of a three weeks' continuous camp.

Mr. RILEY.—What about whole-day parades and the statement that boys attending them must bring their own food?

Sir GRANVILLE RYRIE.—If the honorable member will put his question on the notice-paper I will secure for him a considered answer.

IMMIGRATION.

Mr. BAMFORD.—I have received today a letter from a recent arrival from England, who was unable to find work

in Melbourne, and proceeded to my electorate, where he is now in permanent employment. He now desires to bring out from the Old Country his wife and son. He did not serve at the Front, but having regard to the fact that he is in permanent employment here he desires to know whether any concession in respect of the passage money for his wife and son would be made by the Immigration Department. The question of immigration is very much in evidence just now, and a statement on this subject by the Acting Prime Minister would be of general interest?

Sir JOSEPH COOK.—I regret that I cannot answer the honorable member at the moment, but as this is the last day of the present sittings I will send him a written statement.

PARLIAMENTARY ALLOWANCES ACT.

Mr. GABB.—Having considered the matter for some weeks, is the Acting Prime Minister now in a position to give the House the information for which I have asked on several occasions as to the names of those honorable members who have not accepted the full amount of the parliamentary allowance as fixed under the recent amendment of the law?

Sir JOSEPH COOK.—I am not prepared at the moment to answer that question, but I should like to tell the House that the honorable member (Mr. Gabb) does not draw the £1,000 per annum to which he is entitled. He draws only £600 per annum.

THE MINISTRY.

Mr. WEST.—In order to relieve the minds of the Government, and of honorable members supporting them, I ask if it is intended to remove certain members of the Ministry from their offices and to replace them with other honorable members before this House meets again.

Sir JOSEPH COOK.—There is only one thing certain with respect to that matter. I am in a position to announce only one certainty, and that is the non-admission to the Ministry of the honorable member for East Sydney (Mr. West).

QUEEN ALEXANDRA NURSES.

PAYMENT OF GRATUITIES.

Mr. HECTOR LAMOND.—Has the Treasurer come to any decision with respect to the claims of the Queen Alexandra nurses for payment of gratuities?

Sir JOSEPH COOK.—The honorable member for Corio (Mr. Lister) interviewed me some days ago and introduced a deputation of these nurses. Numbers of other honorable members have interested themselves in the same matter, and have made various representations. I have submitted the whole proposition for reconsideration to Cabinet, and this is what we have decided to do—subject, of course, to the approval of Parliament, since the proposal involves a tidy sum of money: There were 126 of these nurses, who went away from Australia under what is known as the Queen Alexandra scheme of nursing. All of these nurses volunteered for service with the Australian Imperial Force, but, because they had been sent away in connexion with the Queen Alexandra scheme, they have not so far been accorded the benefits and privileges which our own nurses of the Australian Imperial Force have received. These 126 nurses went overseas and performed their nursing duties in just the same manner as other Australian nurses. After they had departed from Australia, under the auspices of the Queen Alexandra scheme, there were despatched overseas nearly 1,000 Australian nurses to perform the same duties as the 126. Care was taken, however, to include them in the Australian Imperial Force. Thus was set up a distinction between the two classes of nurses, who, however, were doing precisely the same class of work and serving under the same conditions. The facts must strike honorable members as being inequitable. The Government have decided, therefore, to place them all on a parity. That is to say, where Alexandra nurses have received gratuities from the Imperial Government, the amounts involved will be taken into the equation and the Federal authorities will make up the difference between what they have received from Imperial sources and the amount given to the nurses of the Australian Imperial Force. We shall have to make up this difference to the Alexandra nurses in the shape of gratuity bonds. I do not recall at the moment

the exact amount of the estimate, but a rather considerable sum is involved, and the passage of an Act of Parliament will be required in order to authorize the payment. I feel convinced, however, that the Federal Legislature will be so unanimously of opinion that the proposed payments should be authorized that I may safely anticipate its approval. I propose, then, to proceed to make up the difference in the payments to the Alexandra nurses in anticipation of the passage of a small measure which can be passed when honorable members meet again. Upon this implied understanding I shall proceed to adjust matters.

Mr. ATKINSON.—How about the circumstances of an Australian nurse who was in England when the war broke out and who joined the Queen Alexandra nursing staff in London? She, and other nurses similarly placed, had no chance to volunteer with the Australian Imperial Force in Australia.

Sir JOSEPH COOK.—The distinction is that the Australian Imperial Force nurses were sent from Australia. We did not send that nurse who was in London upon active service with the Australian Forces. She is in precisely the same position as some thousands of other Australians who happened to be in England when the war broke out. My son was among this number. He joined up as a private in England and did his best to get into the Australian Imperial Force. Our specific regulations, however, kept him out. This nurse who joined up in London, and those Australian fighting men who did the same thing, have had to accept the disabilities arising from their serving with a Force, the remuneration of which was less than the payments made to members of the Australian Imperial Force.

UNEMPLOYMENT.

Mr. MAKIN.—About a fortnight ago the Acting Prime Minister promised that he would call for reports from the various State Governments with respect to the unemployment unhappily existing to-day in Australia. The idea indicated by the Acting Prime Minister at the time was that an endeavour might be made to co-operate with State authorities in order to relieve the unemployment situation. I

wish to know if those reports have yet been secured, and, if so, what measure of assistance the Commonwealth Government have determined to give.

Sir JOSEPH COOK.—Reports have not yet been received, but activity in this matter is proceeding. I assure the honorable member that the whole subject has not been lost sight of.

CADET TRAINING CAMPS.

Dr. MALONEY.—I desire to know whether the proposal for conducting a seventy-days' training camp for our young Australian Cadets is to be proceeded with or has been abandoned.

Sir JOSEPH COOK.—There is no question of a seventy-days' training period.

Dr. MALONEY.—I wish to clear the matter up, since it is naturally disturbing the minds of the mothers of many of our young cadets. Is there any likelihood of a revival of the proposition during the forthcoming recess of this House?

Sir GRANVILLE RYRIE.—No! No provision has been made for such an extended period of training.

NAVAL BOARD.

Mr. RILEY.—Have any steps been taken to fill the vacant position of First Member of the Naval Board, and is there any truth in the rumour that the honorable member for Wentworth (Mr. Marks) has been selected to fill that position?

Question not answered.

POSTMASTER-GENERAL'S DEPARTMENT.

COUNTRY MOTOR MAIL SERVICE.

Mr. CUNNINGHAM.—I understand that officers of the Postmaster-General's Department have been for some time busily engaged in inspecting back-country mail routes in order to ascertain whether some of the motor mail services cannot be cut out. Is it the policy of the Department to discontinue these country services, or to decrease their number? Or can the Postmaster-General say whether it is intended to increase such facilities?

Mr. WISE.—I know nothing about the matter at all.

SALES OF WHEAT AND FLOUR TO
SOUTH AFRICA.

CONTINUANCE OF WHEAT-POOL SYSTEM.

Mr. PARKER MOLONEY.—I desire to know from the Acting Prime Minister whether there is any further information available respecting the sale of inferior wheat and flour to South Africa. I should like to be informed, further, whether the Government intend to follow up the matter, so that the blame may be placed upon the guilty shoulders.

Sir JOSEPH COOK.—I have already told the House that I hope this business will be cleared up in London, between the Prime Minister of the Commonwealth and the Prime Minister of South Africa. I now present a paper having relation to flour and the matter of freights to the United Kingdom. I lay this document on the table, and move—

That the paper be printed.

Mr. GREGORY (Dampier). [11.39].
—I move—

That the following words be added:—

“and having in view the unsettled trading and financial conditions existing as the result of the war, this House is of opinion that the continuance of the present Wheat Pool for the purpose of the control and disposal of the 1921-22 wheat crop is necessary in the interests of the growers and of the Commonwealth.”

Mr. CHARLTON.—What sort of a trick is this? There will be no finishing up to-day!

Mr. RILEY.—I rise to order. My point is that this matter of the continuance of the Wheat-Pool system has been already considered and dealt with during this week. A vote was taken on the subject only a day or two ago. Is it competent, therefore, for an honorable member to re-introduce the identical matter as the honorable member for Dampier (Mr. Gregory) now proposes to do?

Honorable members interjecting,

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! I have been asked to give a ruling upon a point of order, but such is the babel of voices that I have not been able to hear the precise nature either of the amendment or of the point raised thereon.

Mr. CHARLTON.—I desire to put before you, sir, a point of order which must take precedence, in that it refers to prior

business. In view of notice having been given by the honorable member for Darling (Mr. Blakeley) that it is his intention to move the adjournment of the House to discuss a matter of urgent public importance, I contend that that motion must take precedence of all other business.

Mr. GREGORY.—Will you permit me, Mr. Deputy Speaker, to point out at this stage where my amendment and the amendment which has been already dealt with by the House this week radically differ?

Mr. DEPUTY SPEAKER.—That has to do with another matter. I have been asked to give a ruling whether, in view of a notice of motion having been given for the adjournment of the House to discuss a matter of urgent public importance, that motion should not take precedence of any proposed Government business or amendment thereto. The practice which has been followed by all the Speakers who have occupied this chair has been, when an intimation of this character has been given, to permit questions to be put without notice, and answered; whereupon the formal motion for adjournment has been put. I have been waiting for that stage to arrive at which questions without notice would be concluded. During that period the honorable member for Darling has risen on two or three occasions, upon either of which he might have taken the opportunity to move his motion. Since he rose, however, to ask questions without notice, I purposely delayed calling on other business. The Acting Prime Minister (Sir Joseph Cook) then intervened by presenting a paper and moving that it be printed; upon which motion the honorable member for Dampier (Mr. Gregory) moved his amendment. I must rule that that procedure was in order, and I emphasize that I do so in pursuance of the invariable practice of this House.

Mr. RILEY.—I now desire to take this point of order, namely, that the question of the continuance of the Wheat Pool system having been discussed during the week, and a vote having been taken upon it, it is not now competent for an honorable member to re-introduce the same subject-matter in the form of an amend-

ment, the terms of which are similar to the question which has already been dealt with.

Mr. GREGORY.—The amendment which I have moved is, to my mind, entirely different from the amendment moved by another honorable member earlier this week. The amendment proposed by the Leader of the Opposition to the Supply motion instructed the Government to take steps to insure a continuation of the Wheat Pool. I am asking to-day merely that the Government shall use their influence with the State Governments in connexion with this matter.

Mr. BLAKELEY.—I rise to a point of order. I have give notice of a motion to adjourn the House in order to discuss a matter of urgent public importance. The Acting Prime Minister (Sir Joseph Cook), in order to give honorable members in the Corner an opportunity to apologize to their constituents for their attitude on the amendment moved on Wednesday in regard to the Wheat Pool—

Mr. DEPUTY SPEAKER.—Order!

Mr. BLAKELEY.—This discussion may continue all day unless the Government use the "gag." Apparently, they have decided that there shall be no discussion on my motion.

Mr. DEPUTY SPEAKER.—The honorable member must state his point of order without making comment upon other matters.

Mr. BLAKELEY.—My notice of motion cannot be dealt with because apparently this discussion will crowd it out. The natural inference is that that is the desire of the Government. I ask whether it is in order that my notice of motion should be thus crowded out? My motion would be merely an exercise of a privilege allowed by the Standing Orders, and I claim that it should take precedence over other business.

Mr. DEPUTY SPEAKER.—I have already ruled that the procedure which has been adopted is quite in order.

Mr. GREGORY.—Reverting to the point or order raised by the honorable member for South Sydney, I wish to draw a distinction between the amendment moved by the honorable member for West Sydney on the Supply Bill and the amendment I have proposed to-day. The honorable member's amendment in-

structed the Government to do certain things in connexion with the continuance of the Wheat Pool. My proposal only asks that the Acting Prime Minister should bring his influence to bear upon the State Governments with a view to getting certain action taken for a definite period. The purposes of the two amendments are entirely different, and I contend, therefore, that my proposal in no way contravenes the Standing Orders.

Mr. DEPUTY SPEAKER.—The document laid upon the table is a statement by Senator Russell in reference to the disposition of flour, &c. The Acting Prime Minister has moved that the paper be printed, and to that the honorable member for Dampier has moved to add an expression of opinion that the continuance of the Wheat Pool for the control and disposal of the 1921-22 wheat crop is necessary. It may be that this amendment deals with the Wheat Pool matter in a way different from that in which it was dealt with by the amendment moved by the honorable member for West Sydney (Mr. Ryan) on Wednesday. Therefore, I am not inclined to rule it out of order.

Mr. GREGORY.—In submitting my amendment to the House I wish to emphasize the difference between the proposal made by the Deputy Leader of the Opposition and that which I am making to-day.

Mr. PARKER MOLONEY.—I ask for a ruling upon a point of order. The paper which is the subject of the Acting Prime Minister's motion relates to flour. The amendment moved by the honorable member for Dampier (Mr. Gregory) deals with a Wheat Pool. The two subjects are entirely different, and I ask whether it is competent for an honorable member to move an amendment which is not relevant to the original motion?

Mr. DEPUTY SPEAKER.—The disposal of flour is involved in the sale of wheat and the creation of a Wheat Pool. The two matters are inter-related, and I, therefore, rule that the amendment is in order.

Mr. GREGORY.—Nobody knows better than does the honorable member for Hume (Mr. Parker Moloney) that all matters connected with the export of flour are controlled by the Central Wheat

Board. I congratulate the honorable member on his efforts to achieve a political victory rather than to do something in the interests of the farmers. Any person with parliamentary experience must recognise that the tabling of an amendment such as that moved on Wednesday by the Deputy Leader of the Opposition was tantamount to a motion of want of confidence in the Government. In my opinion, the amendment was moved, not for the purpose of doing anything in the interests of the producers, but simply in order to gain a political advantage. We all know perfectly well that it is outside the power of the Federal Government to initiate or carry on a Wheat Pool except by co-operation with the State Governments. Ever since the Pools were instituted there has been an arrangement between the wheat-producing States and the Commonwealth Government. To-day I am asking the House to instruct the Acting Prime Minister to use his influence with the State Governments to secure a continuance of the Wheat Pool for the next season.

Mr. BLAKELEY.—Does the honorable member propose to instruct him by resolution? Has he the courage to do that?

Mr. GREGORY.—The honorable member would be more at home in creating industrial trouble.

Mr. BLAKELEY.—The honorable member cannot serve two masters. He must choose between the hoodlers and the farmers.

Mr. GREGORY.—Or the agitators. The Pools were instituted as a war measure, and it is as a war measure that I desire the Wheat Pool continued for another season. That course is necessary owing to the unsettled trading and financial conditions which obtain as a result of the war, and it is for that reason alone that I ask the Government to use their influence to get the Pool carried on, not as a permanency, but merely to cover the 1921-22 harvest. The Premier of Victoria says that he has received satisfactory assurances that private companies will be able to purchase and finance the wheat in the coming season. But it seems to me to be impossible to get a satisfactory guarantee that there will not be a danger of insufficient money being available if the financing of the crop is left entirely to private enterprise. I desire the continuation of the Pool merely as an expedient to provide a longer time for con-

ditions to become normal, and for the producers to mature a scheme of their own for the future handling of their wheat. I am convinced that the farmers will be able to do big things by co-operation, just as big things have been done in that way by the wool-growers. It would have been wiser if the earlier counsels had prevailed in connexion with the Wool Pool. There is no member in this chamber who is more averse than I am to continuing the restrictions upon trade and commerce, but to lift them at the present moment, within a few months of the garnering of the harvest, will involve a grave danger of the producers being left wholly at the mercy of one or two large trading concerns. I wish to derive no political advantage for my party from this action. I have interviewed the Treasurer (Sir Joseph Cook), and asked that the Commonwealth shall come to the assistance of the farmers in Western Australia in the formation of a co-operative Pool. Having heard that the South Australian Government have decided that they will have nothing further to do with the Pools, and a similar decision having been come to by the Victorian Government, I desired to protect my own State, and on behalf of the farmers there I asked the Commonwealth Government to guarantee a co-operative Pool to the extent of 50 per cent. of the value of the wheat voluntarily put into it. We agreed that the Pool should be subject to any restriction which the Government chose to impose in regard to export. If they desired that certain quantities of wheat should be set aside for local consumption, we were ready to accept that condition. Nobody can say that in asking for a 50 per cent. guarantee we were making anything but a reasonable financial proposition. The farmers of Western Australia are almost unanimously in favour of a Pool, and the ballot of growers in Victoria has resulted in 73 per cent. of them recording a similar opinion. I am not asking anything for the future, but desire an arrangement for this year only in order to give the farmers of Australia time to put their house in order. I have no desire to again quote the speeches of the Prime Minister (Mr. Hughes) in favour of the co-operative movement; but I do not think that any honorable member here would be more desirous than the honorable member for Hunter (Mr. Charlton)—

Mr. CHARLTON.—I am surprised at the way the business is being conducted to-day.

Sir JOSEPH COOK.—The honorable member for Hunter is trying to count out the House.

Mr. CHARLTON.—I shall count it out if I can, and I now draw attention to the state of the House. [*Quorum formed.*]

Mr. GREGORY.—The fullest publicity should be given throughout Australia to the position that has arisen in the House to-day, when we see an entire absence of honorable members opposite, who call themselves farmers' representatives. Amongst those members are the honorable member for Hume (Mr. Parker Moloney) and the honorable member for Gwydir (Mr. Cunningham).

Mr. CHARLTON.—I beg to call attention to the state of the House.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—I counted the House within the last two or three minutes, and a reasonable time has not elapsed before I am again called upon to count it.

Mr. GREGORY.—The fullest publicity should be given to the fact that, although certain honorable members opposite are supposed to represent farming constituencies, every one of these members have left the chamber. There is not one farming representative here to aid in carrying a resolution of this sort, and it should be made known to every farmer in Australia that there is an organized opposition with a view to preventing any negotiations in their interests.

Mr. CHARLTON.—I again call attention to the state of the House. I think a sufficient time has now elapsed to enable a quorum to assemble to carry on the business of the country.

Mr. DEPUTY SPEAKER.—I call the attention of honorable members to the powers which are vested in the Speaker, and are supported by the practice of the House of Commons. When the attention of the Speaker is called to the state of the House, and he has counted the House and satisfied himself that there is a quorum—

Mr. CHARLTON.—But if honorable members immediately walk out again there is no quorum.

Mr. DEPUTY SPEAKER.—I ask the honorable member to allow me to continue. If honorable members will study our Standing Orders, and not only those dealing with this particular point, they will find that a reasonable time has been defined as a quarter of an hour.

Mr. CHARLTON.—That has never been acted upon until this morning.

Mr. GREGORY.—I thank the honorable member for Hunter for having given such an advertisement to the country representatives in his own party.

Mr. CHARLTON.—I shall give another presently!

Mr. GREGORY.—I am grateful and thankful to the honorable member, and hope his action will prove of value later. However, I am a great believer in the co-operative movement, and would like, if time allowed, to show the wonderful success of agrarian co-operation in Canada. There the co-operative Grain Growers' Grain Company started with a paid-up capital of only 25,000 dollars.

Mr. CHARLTON.—I will take your ruling, Mr. Deputy Speaker, as to whether the honorable member is in order in talking about the co-operative movement on a motion to provide for a continuance of the Wheat Pool.

Mr. DEPUTY SPEAKER.—The Acting Prime Minister (Sir Joseph Cook) read a document and moved that it be printed. That document deals with co-operation in connexion with the Wheat Pool, and, therefore, the honorable member for Dampier is in order.

Mr. GREGORY.—I am trying to build up my argument that this Pool should be for one purpose and for one purpose only, namely, to enable the co-operative movement to develop until the producer can carry on the work without any Government assistance. I feel sure that we in Australia can do equally as well as the farmers have done in Canada, for there are brains and men of grit amongst us. In Canada every effort was made by banks, exchanges and other financial organizations to destroy the co-operative movement; indeed, on one occasion the Canadian Government had to come to the assistance of the farmers and enable them to hold their own. To show the wonderful success of the movement in

Canada I should like to read the following from an article in the *Quarterly Review*:—

The final step was taken in 1917, when the Grain Growers' Grain Company, the Saskatchewan Co-operative Elevator Co., and the Alberta Co-operative Elevator Co. were all merged in a new body under the name of United Grain Growers Ltd., with a paid-up capital of 5,000,000 dollars.

That was a few years after a start had been made with 25,000 dollars, and those concerned had no previous experience, but were good, hard-headed business men and farmers for the most part, and it will be seen that they managed to build up a magnificent organization.

Mr. RILEY.—What has this to do with the question before us?

Mr. GREGORY.—I am merely trying to show that by means of co-operation the Australian farmers may be enabled to place themselves in the same sound position that their Canadian brothers occupy. In the early days in Canada the wheat-grower had to take advantage of the nearest and quickest market, but after a while, by means of co-operation, he found himself able to avail himself of the markets of the United States of America, Canada, England, and elsewhere. Co-operation would be an advantage, even if confined to separate State movements; but I look forward to an Australian co-operative scheme.

Mr. CONSIDINE.—Are you in favour of the methods adopted by the Canadian farmers?

Mr. GREGORY.—Not all of them; my desire is to leave farming matters to the farmers themselves, without the aid of politicians. As a member of Parliament, I am quite prepared to stand aside, beyond affording a little assistance in the early stages of the movement. If the policy I am supporting is carried out, the farmers will find themselves quite able to deal with outside organizations. We are told that South Australia refuses to come into the movement; but if Victoria, Queensland, New South Wales, and Western Australia enter upon some reasonable scheme, I hope the Treasurer (Sir Joseph Cook) will use his influence with the State Governments to see that the necessary assistance is given. My main desire is that the Treasurer shall endeavour to have an arrangement made for this year, and this year only.

Mr. CHARLTON.—You were not in favour of it the other day.

Mr. GREGORY.—The honorable member is trying to make political capital—

Mr. CHARLTON.—You are trying to retrieve yourself in the eyes of your own party!

Mr. GREGORY.—The honorable member has succeeded in placing the country members of his own party in a most discreditable position.

Mr. STEWART (Wimmera) [12.12].—I desire to second the motion. The object of the Country party is to secure the continuance of the Pool for the present year, because we believe that to be the desire of the overwhelming majority of growers. A ballot was recently taken of the wheat-growers of Victoria, and I should like to direct the attention of the Acting Prime Minister (Sir Joseph Cook) to the figures connected therewith. The following questions were submitted to the wheat-growers:—

1. Are you in favour of a compulsory Wheat Pool for a period of three years, controlled by representatives elected by ballot of the wheat-growers?
2. Are you in favour of a Wheat Pool under present conditions?
3. Are you in favour of an open market?

The ballot was taken by the Victorian Farmers Union and the Agricultural Society of the State.

Mr. CONSIDINE.—Not by the farmers?

Mr. STEWART.—By the organizations representing the farmers. The Victorian Government were requested, but refused, to undertake the ballot, with a view to placing it above suspicion. The farmers' organizations then had a ballot taken at their expense, and here is the official report of the deputy returning officer:—

The wheat referendum ballot, which was conducted by the Victorian Farmers Union and the Chamber of Agriculture, and for which Mr. C. E. Merrett, the president of the Royal Agricultural Society acted as returning officer, closed at noon on Saturday, 11th July last; 19,816 ballot-papers were issued to farmers who had wheat in the 1920-21 Pool. Of these, 15,002 were returned prior to the closing of the poll.

While the ballot was in progress the Victorian Government definitely and finally decided against the Pool. It received a deputation representative of wheat-shippers, speculators, and middlemen,

local and foreign, and having heard their views, decided against a Pool without awaiting the result of the ballot. Therefore, although the number who voted was higher than is usual in a parliamentary election, it was not as high as it would have been had the Victorian Government not done its best to kill the project.

A count of the first preferences revealed that 10,832 favoured a compulsory Pool controlled by the growers, 2,057 an open market, and 1,633 a Government Pool; whilst 480 votes were informal. Of the latter, 173 indicated their preference for a Pool controlled by the growers, 115 for a Government Pool, and 96 for an open market. It was impossible to classify the remaining 96 informal votes.

When the second preferences of those who favoured a Government Pool were examined, it was found that 1,381 desired a Pool controlled by the growers, and 252 an open market.

In addition to the ballot-papers mentioned above, 868 were issued to farmers who submitted statutory declarations that they intended growing at least 10 acres of wheat during the coming season.

Many returned soldiers, and some others, who had put in their first crop this year, represented that it was not fair that they should not be allowed to express their views about the formation of a Pool to deal with the wheat of the coming year, and it was agreed that those who would sign a declaration before a justice of the peace that they intended to have at least 10 acres under wheat for the coming season should be given ballot-papers.

Of these, 760 were returned. The first preferences were 677 in favour of the growers' Pool, 42 for a Government Pool, and 32 for an open market. The second preferences of those favouring a Government Pool were 41 for a growers' Pool, and 1 for an open market. There were nine informal votes, of which four indicated a preference for a growers' Pool, and two for a Government Pool, whilst the remaining three could not be classified.

The aggregate first preferences indicated that 11,509 farmers desired a compulsory Pool controlled by the growers, 2,089 an open market, and 1,675 a Government Pool. The second preferences of those favouring a Government Pool were 1,633 for a growers' Pool, and 42 for an open market; the grand total, therefore, being 13,142, or 86 per cent., of the valid papers returned for a Pool controlled by the growers, and 2,131, or 13.9 per cent., for an open market.

The daily press of this metropolis—the *Age*, the *Argus*, and the *Herald*—with a unanimity that was remarkable and rather suspicious, have persistently opposed the Pool throughout, and the *Age* made this

characteristic comment on the figures that I have read—

The wheat-growers themselves have thus by a very large majority voted against the idea of any further Government-controlled Pool.

Because of that impudent assertion, we applied to the deputy returning officer for an account of the second preferences of those who had voted for a Pool controlled by the growers, and we were informed that 12,140 voted for the Government Wheat Pool, and 1,002 for an open market. I have quoted these figures to place them on record, and to show that in the State in which a fair and impartial ballot has been taken there is an overwhelming majority of wheat-growers in favour of the establishment of a Pool. It is hardly necessary to reply to what has been said by the Labour party about our action in voting against their amendment, or, as they put it, against the Pool. Undoubtedly the establishment of a Pool is of vital moment to the wheat-growers of Australia, and the members of the Labour party endeavoured to take political advantage of the fact, and have since sneered at the members of the Country party because they were not simple enough to fall into the trap obviously set for them.

MR. PARKER MOLONEY.—Is not the establishment of a Pool the right thing?

MR. STEWART.—The honorable member has been long enough in Parliament to know that the Labour party has not played the game in this matter in the circumstances in which we find ourselves. I hope that, should some strange turn of fortune's wheel place the Labour party in power, we, of the Corner party, may be a little fairer to members opposite than they have been to us and to the Government.

MR. CHARLTON (Hunter) [12.24].—The manner in which the business is being conducted by the Government to-day is rather surprising. Speaking for the Labour party, in the absence of the Deputy Leader, I have said that we desire to facilitate business, so that there may be an adjournment from to-day, and it is, therefore, a shock to find that the Government is allowing the Country party this opportunity to try to redeem itself in the eyes of its electors for its negligence the other day in regard to their interests. In these circumstances, it seems unlikely that we shall be able

to deal this week with the business requiring attention. Earlier in the week the Labour party moved an amendment to the Supply motion, the terms of which were practically the same as those of the amendment now under discussion.

Mr. STEWART.—The meaning of the word “practically” would have to be stretched a good deal to justify that use of it.

Mr. CHARLTON.—Practically the two amendments are identical. The Country party now ask the Government to agree to the continuance of the Wheat Pool.

Mr. GREGORY.—We ask it to use its influence.

Mr. CHARLTON.—In that case, this amendment is not loaded, although the members of the Country party are endeavouring to make the people believe that they are trying to do something for them.

Mr. GREGORY.—The honorable member is affecting ignorance of the constitutional position.

Mr. CHARLTON.—The Country party has the voting strength to compel the Government to do what it desires.

Mr. POYNTON.—The Government can do nothing without the consent of the States.

Mr. CHARLTON.—According to the honorable member for Dampier (Mr. Gregory) the amendment merely asks the Government to use its influence, and if Ministers say that they are not prepared to do that, there is an end of the matter. Strangely enough, we hardly heard a word from the Country party the other night when there was an opportunity to discuss the establishment of another Wheat Pool. Members of that party then sat dumb.

Mr. STEWART.—Of course, we did. We were dumb with astonishment at the tactics of the Opposition.

Mr. CHARLTON.—The members of the Country party, who are supposed to represent country interests, sat dumb when the Labour party, many of whose members are representative of the primary producers, moved in the interests of the farmers. It must not be forgotten that the wheat belt of New South Wales is represented in this House by Labour members. When we asked the Government to continue the Wheat Pool, the

members of the Country party, who are supposed to represent the wheat-growers of the other States, voted against us.

Mr. HILL.—Your amendment meant more than the establishment of another Wheat Pool.

Mr. CHARLTON.—That is your trouble; it meant too much for you.

Mr. PARKER MOLONEY.—It meant action, while your amendment means nothing.

Sir JOSEPH COOK.—The Opposition amendment meant politics.

Mr. CHARLTON.—That is so; but this amendment of the Country party means nothing. It is the firing of a blank cartridge. Members of the Country party having failed in their duty to those who sent them here, wish to obscure the fact. It is members of the Labour party who represent the majority of the primary producers of New South Wales, and we have endeavoured to do our duty by them. Directly we knew that the wheat farmers desired the continuance of the pooling system, we took action to secure it, anticipating that we should have the support of the Corner party.

Mr. STEWART.—You would have had it if you had gone about things in a proper way.

Mr. CHARLTON.—What is the proper way?

Sir JOSEPH COOK.—You should not have attacked Supply.

Mr. CHARLTON.—We ought never to jeopardize the position of the right honorable gentleman, I suppose. The Country party constantly trumpets, through the press, and by the mouth of its Deputy Leader, what it will do to depose the Government; but when the opportunity comes it takes care to do nothing. If the members of the Country party said they were not justified in injuring the Government—

Sir JOSEPH COOK.—That is ridiculous, in view of their past actions.

Mr. CHARLTON.—Whenever a difficult situation has arisen—I am speaking of the time before the Prime Minister went to England—the members of the Country party have taken care that the Government should not be defeated. There has been no better bridge-builder for the Government than the Deputy Leader of the Country party (Mr. Gregory).

Whenever the Government has been in difficulties he has endeavoured to find a way out for them.

Sir JOSEPH COOK.—On a point of order, I submit that the honorable member is not discussing the question before the Chair, which relates to the advisability of continuing the Wheat Pool. For the last ten minutes he has not addressed himself to the question, but has been referring to a previous debate and to party relations.

Mr. CHARLTON.—On the point of order, I submit that I have not departed from the rules of debate. I have merely been showing that the honorable member for Dampier, who has moved an amendment providing for the continuance of the Wheat Pool, is inconsistent, since he had an opportunity to deal with this very question earlier in the week when it was brought forward by the Opposition.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—I fully recognise that the circumstances that have arisen this morning are somewhat unusual, and have, therefore, allowed honorable members a certain amount of latitude. I have, however, already called upon honorable members not to reflect upon past votes of the House. I was loath to call the honorable member to order when he was dealing with the actions of the Country party, but I now call upon him to observe the Standing Orders, and discuss the question before the Chair without indulging in recriminations.

Mr. CONSIDINE.—If the honorable member (Mr. Charlton) is not in order in referring to past actions of honorable members of the Country party, would he be in order, sir, in referring to their past inaction?

Mr. DEPUTY SPEAKER.—No; that also would be out of order.

Mr. CHARLTON.—I shall endeavour, sir, to obey your ruling. I submit, however, that I was justified in replying to statements made by honorable members who were allowed to state why they did not support an amendment dealing with this very question, which was submitted on Wednesday last by the Opposition. I have been endeavouring to show the House and the country how inconsistent honorable members of the Country party are, and how negligent they were of the interests of those whom they claim to represent, when they voted against the

amendment which we submitted calling upon the Government to arrange for the continuance of the Wheat Pool. There may have been some element of doubt as to the attitude of the farmers on this question, but that doubt no longer exists so far as the farmers in some of the States are concerned. They have made it known that they desire the continuance of the pooling system. They have made representations to that effect to honorable members of our party, and, I presume, they have also made known their views to the Country party. That being so, when we submitted an amendment calling upon the Government to continue the Wheat Pool the Country party should have backed us up. Had they co-operated with us in that effort, I am certain the Government would have at once accepted our proposal. Their failure to support the action taken by us then is responsible for our being called upon to discuss the question again to-day. I hold that this is only a death-bed repentance on the part of the Country party.

Mr. STEWART.—Does the honorable member say that the Commonwealth has power to compel the States to establish Wheat Pools?

Sir JOSEPH COOK.—He knows very well that we have not, and that the action taken by his party the other day was a mere pretence.

Mr. CHARLTON.—The Commonwealth Government can enter into negotiations with the State Governments to ascertain whether they are prepared to continue the Wheat Pool.

Sir JOSEPH COOK.—Is that what we were asked to do in the Labour party's proposition on Wednesday last?

Mr. CHARLTON.—Yes, and the Country party were not prepared to accept it. I believe that Pools controlled by the Government, and dealing with not only wheat, but all classes of commodities, would be in the best interests of the producers and consumers alike. It would be well for us to organize along those lines. In that way we should at once bring about co-operation as provided for in the paper which the Acting Prime Minister has laid on the table of the House. Much could be done to reduce the cost of living by a system of Pools with properly organized Government control. I notice that the honorable member for Dampier (Mr. Gregory) carefully refrained from saying a word on behalf of the consumers.

Mr. GREGORY.—I said that arrangements should be made subject to such conditions as the Government might see fit to impose.

Mr. CHARLTON.—The honorable member urged that the Wheat Pools should be continued in the interests of the producers. He said nothing about the interests of the consumers. My contention is that they should be continued in the interests of the producers and consumers, and to the detriment of the middlemen, who should be wholly cut out. In order to achieve that object, we should have representatives of both the producers and the consumers on these Pools. If we are to have true co-operation, both interests must be represented.

Sir JOSEPH COOK.—Hear, hear! You must have dear wheat and cheap bread!

Mr. CHARLTON.—No. My contention is that the farmer and every one else should receive a fair return for his labour. The farmer should get a fair profit on all that he does in producing his crop.

Sir JOSEPH COOK.—And that profit is to be fixed by the honorable member's organization.

Mr. CHARLTON.—No.

Sir JOSEPH COOK.—That is provided for in the programme of the honorable member's party.

Mr. CHARLTON.—If a Wheat Pool were to be established, the profit would be fixed by the Board subject to the approval of the Government. Provision should be made for a fair return to the farmer. But what has been the experience of the farmer? Why is it necessary to continue the Pool?

Sir JOSEPH COOK.—Does the honorable member believe in world's parity for wheat? That is the test.

Mr. CHARLTON.—I believe, as I have said on very many occasions—

Sir JOSEPH COOK.—I have asked a straight-out question. Why not answer it?

Mr. CHARLTON.—I am going to answer it. I have just ascertained that the debate on this motion will close at 1 p.m., and, therefore, I shall have to curtail my remarks. As to the right honorable gentleman's question, I would point out that if we are to get back to normal times the world's parity for wheat will be much less than it has been of late years. I did not advocate the payment of the world's parity, during the war, for wheat

for local consumption. I said that, having regard to the increased cost of living, the price paid for wheat for local consumption should be such as would give the producer a fair return, and that for the surplus sold overseas we should get as much as possible. The world's parity is falling.

Sir JOSEPH COOK.—I understand the honorable member to say that he is not in favour of world's parity in respect of wheat for local consumption.

Mr. CHARLTON.—I am not in favour of payment of world's parity if the world's parity falls to much less than is necessary to give a fair return to the producer.

Sir JOSEPH COOK.—Is the honorable member in favour of world's parity when the price of wheat goes up?

Mr. CHARLTON.—I have already answered that question; but I will answer it again. When the world's parity was exceedingly high I took up the position that everything that we produced in our own country should be supplied to our own people at prices that would allow the producer fair and reasonable conditions, having regard to the cost of production, and that we should get as much as possible for the surplus which we sold overseas, since the bigger the return the better for the whole Commonwealth.

Sir JOSEPH COOK.—Then the honorable member is in favour of paying less than world's parity for one-third of our total wheat production.

Mr. CHARLTON.—No; I say that everything points to the price of wheat before very long falling below a rate which would give the farmers of Australia a fair return for their labour. The payment of world's parity for wheat for local consumption in such circumstances would not give the producer a sufficient return. I am not in favour of that. My contention is that very much of the increased cost to the consumer is swallowed up by the profits of the middleman. The middleman should be cut out, and that is what would happen under a proper co-operative scheme. I move—

That the amendment be amended by the addition of the following words:—"but that, in the opinion of this House, the representatives of the Country party are blameworthy for their failure to support the amendment of the Acting Leader of the Opposition for the continuance of the Wheat Pool."

Mr. PARKER MOLONEY (Hume) [12.45].—It is apparent to all honorable members, and I hope and believe it will be equally obvious to the people, that the honorable member for Dampier (Mr. Gregory) and his colleagues of the Country party have found themselves in an ugly dilemma during the past day or two. I have never previously known or heard of such a situation as has developed in this Chamber. A definite amendment was moved by the Deputy Leader of the Labour party, the honorable member for West Sydney (Mr. Ryan), which, if it had been agreed to, would have entailed direct and specific action. It would have had the effect of bringing about what the great bulk of the wheat-growers desire, namely, the continuance of the Wheat Pool. The only reason why the Country party voted against it was that the amendment would, if carried, have endangered the Government or compelled it to do something. Since their ignominious display in voting against the amendment, honorable members of the Country party have very evidently been in close collaboration with the Acting Prime Minister. The Government and the Country party have put their heads together in order to find a way out for the honorable member for Dampier, who has attempted to fool his supporters and the wheat-growers of Australia generally.

Mr. HILL.—You cannot fool the wheat-growers.

Mr. PARKER MOLONEY.—No, the honorable gentleman will realize that to his cost! The honorable member for Echuca (Mr. Hill) is in the same boat as the honorable member for Dampier. He has been going around his electorate at a pretty strenuous pace during the past few weeks impressing upon the wheat-growers the necessity for casting a solid vote in the plebiscite on the Wheat Pool so that there should be no mistake concerning their attitude towards the continuance of the pooling system.

Mr. JOWETT.—And the honorable member for Echuca did quite rightly.

Mr. PARKER MOLONEY.—Certainly he did; but now he has let his wheat-growing constituents down. The reason why members of the Country party did not support the amendment

of the honorable member for West Sydney in favour of the continuance of the Wheat Pool system was that they were afraid that by so doing they would hurt the Government. They felt in duty bound to support the Prime Minister (Mr. Hughes), who has violated his pledge given to the wheat-growers in the course of his policy speech at Bendigo at the last elections. Surely the immunity granted by the Country party prior to the departure of the Prime Minister for London did not mean that its members would be willing to permit the Government to violate the pledge given to the primary producers! The Prime Minister said, in the course of his campaign speech, that the Federal Government would stand behind the wheat-growers for this season. Now, however, the Country party have agreed to a violation of that promise. The members of the Country party have agreed to connive at the breaking of the Prime Minister's pledge. They say, "We have entered upon a truce with the Government." The wheat-growers must be shown that when it became a matter of saving the Prime Minister or the wheat-growers of Australia the Country party decided upon the former course. Members in the Corner preferred to allow the Prime Minister to break his pledge, and thus they have betrayed their wheat-growing constituents.

Mr. HILL.—The pledge given by the Prime Minister before he left for England has not been broken. It stands to-day.

Mr. PARKER MOLONEY.—But the pledge which he gave at Bendigo, when he undertook to stand behind the wheat-growers for this season has been violated because of the tactics of the Country party. The Acting Prime Minister has said, "We want to be rid of this whole business;" and honorable members in the Corner have replied, in effect, "Very well! Although there has been a violation of the Prime Minister's pledge, rather than put the Government out, and let the Prime Minister down, we will undertake to betray the wheat-growers." That, in a nutshell, is the attitude of this so-called Country party. I am informed that the honorable member for Echuca (Mr. Hill) and the honorable member for

Wimmera (Mr. Stewart) have been in constant communication with their colleagues of the Country party in the Victorian Legislature, where, also, a conflict is being waged about the continuation or otherwise of the Wheat Pool system. I have been informed that the honorable members for Echuca and Wimmera have been spurring on their State colleagues to fight for a continuance of the Pool. They do not mind sending the State members of the Country party to the country, but they themselves, together with the honorable member for Dampier, take mighty fine care not to send themselves back to the electors. That kind of procedure is good enough for their State colleagues, but it will not do for them!

Sir JOSEPH COOK.—What terrible people you must be on that side, when country members prefer all these fearful alternatives to "Ryan"!

Mr. PARKER MOLONEY.—It is with them rather a matter of saving their own political skins. Whatever preference may be swaying them, their tactics will not satisfy the wheat-growers.

Mr. GREGORY.—Will the honorable member permit the Acting Prime Minister to make a statement? Or does he propose to talk this business out?

Mr. PARKER MOLONEY.—I desire to keep the honorable member for Dampier on the horns of the dilemma on which he is hanging.

Mr. GREGORY.—I am in no dilemma.

Mr. PARKER MOLONEY.—The worried look on the faces of honorable members in the Corner during the past twenty-four hours has been a regular study. The country will learn that this amendment, launched from the Corner, really means nothing. It is a sham and a delusion. If the Country party wanted to do anything practical, they had their opportunity a day or two ago, when, if they had voted for the amendment of the honorable member for West Sydney, they would have forced the hands of the Government. Now, after having been in collaboration throughout yesterday and half of last night with the Acting Prime Minister, the honorable member for Dampier comes forward with his little scheme. He has obviously been appealing plaintively to the Acting Prime Minister to let him and his colleagues out of their awkward

situation. However, the wheat-growers will learn of the false game they have played. They are not yet out of their dilemma. The honorable member for Dampier has been a really good bridge-builder for the Government. His services have been most useful; but 10,000 such amendments as he has launched will not suffice to explain the attitude and tactics of the Country party with respect to the amendment moved by the Labour party earlier this week for a continuance of the Wheat Pool. I repeat that, had that amendment been carried, something definite must have followed. The Acting Prime Minister does not want anything definite to happen in the direction of the continuation of the pooling system. The Government and the Country party have put their heads together in order that the members of the latter may let themselves out. It is my bounden duty to expose the whole sham for what it really is. No more words of mine are necessary to emphasize the dilemma of the Country party and the manner in which they have let down the people who, in mistake, sent them to this Parliament.

Mr. STEWART.—I move—
That the question be now put.

| Question put. | The House divided. | | |
|---------------|--------------------|----|----|
| Ayes .. | .. | .. | 28 |
| Noes .. | .. | .. | 12 |
| | | | — |
| Majority .. | .. | .. | 16 |

AYES.

| | |
|------------------|----------------------|
| Atkinson, L. | Hill, W. C. |
| Bamford, F. W. | Jowett, E. |
| Bayley, J. G. | Lister, J. H. |
| Bell, G. J. | Marks, W. M. |
| Blundell, R. P. | Marr, C. W. C. |
| Cameron, D. C. | Poynton, A. |
| Cook, Sir Joseph | Rodgers, A. S. |
| Fleming, W. M. | Ryrie, Sir Granville |
| Foster, Richard | Smith, Laird |
| Fowler, J. M. | Stewart, P. G. |
| Francis, F. H. | Wise, G. H. |
| Greene, W. M. | |
| Gregory, H. | <i>Tellers:</i> |
| Groom, L. E. | Burchell, R. J. |
| Higgs, W. G. | Story, W. H. |

NOES.

| | |
|-------------------|-----------------|
| Blakeley, A. | McDonald, C. |
| Charlton, M. | Riley, E. |
| Considine, M. P. | West, J. E. |
| Cunningham, L. L. | |
| Makin, N. J. O. | <i>Tellers:</i> |
| Maloney, Dr. | Gabb, J. M. |
| Mathews, J. | Maloney, Parker |

PAIRS.

Bowden, E. K.
Chapman, Austin
Cook, Robert
Corser, E. B. C.
Foley, G. J.
Jackson, D. S.
Livingston, J.
Mackay, G. H.
Maxwell, G. A.
Hughes, W. M.
Best, Sir Robert
Gibson, W. G.

Catts, J. H.
Fenton, J. E.
Nicholls, S. R.
Lavelle, T. J.
Lazzarini, H. P.
Mahony, W. G.
Brennan, F.
Watkins, D.
Ryan, T. J.
Tudor, F. G.
Anstey, F.
McGrath, D. C.

Question so resolved in the affirmative.

Question—That the words proposed to be added be so added (Mr. CHARLTON'S amendment of the amendment)—put.
The House divided.

| | | | |
|---------|----|----|----|
| Ayes .. | .. | .. | 12 |
| Noes .. | .. | .. | 29 |

| | | | |
|-------------|----|----|----|
| Majority .. | .. | .. | 17 |
|-------------|----|----|----|

AYES.

Charlton, M.
Considine, M. P.
Gabb, J. M.
Makin, N. J. O.
Maloney, Dr.
Mathews, J.
McDonald, C.

Moloney, Parker
Riley, E.
West, J. E.

Tellers:

Blakeley, A.
Cunningham, L. L.

NOES.

Atkinson, L.
Bamford, F. W.
Bayley, J. G.
Bell, G. J.
Blundell, R. P.
Cameron, D. C.
Cook, Sir Joseph
Fleming, W. M.
Foster, Richard
Fowler, J. M.
Francis, F. H.
Greene, W. M.
Gregory, H.
Groom, L. E.
Higgs, W. G.

Hill, W. C.
Jowett, E.
Lister, J. H.
Marks, W. M.
Marr, C. W. C.
McWilliams, W. J.
Poynton, A.
Rodgers, A. S.
Ryrie, Sir Granville
Smith, Laird
Stewart, P. G.
Wise, G. H.

Tellers:

Burchell, R. J.
Story, W. H.

PAIRS.

Catts, J. H.
Fenton, J. E.
Nicholls, S. R.
Lavelle, T. J.
Lazzarini, H. P.
Mahony, W. G.
Brennan, F.
Watkins, D.
Ryan, T. J.
Tudor, F. G.
Anstey, F.
McGrath, D. C.

Bowden, E. K.
Chapman, Austin
Cook, Robert
Corser, E. B. C.
Foley, G. J.
Jackson, D. S.
Livingston, J.
Mackay, G. H.
Maxwell, G. A.
Hughes, W. M.
Best, Sir Robert
Gibson, W. G.

In division:

Mr. CHARLTON.—I draw your attention, Mr. Deputy Speaker, to the fact that it is now after 1 p.m., and that, ac-

cording to the Standing Orders, this motion must be dealt with within two hours.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! It is a familiar rule of the House that when motions and amendments thereto are in process of decision by way of division, that process must be completed before the House is adjourned or the sitting suspended.

Amendment of the amendment negatived.

Question so resolved in the negative.

Mr. CHARLTON.—I ask for a ruling whether any further stage of the motion can be entered upon at the present juncture, in view of the fact that Mr. Speaker (Sir Elliot Johnson) has on several occasions ruled that motions such as that at present under consideration must automatically lapse after two hours. When I made my protest a few minutes ago, you, sir, indicated that I could not take any such step during the progress of a division. The House is not at this moment being divided, and I submit, therefore, that the motion must lapse, the time permitted for its consideration under the Standing Orders having expired.

Mr. DEPUTY SPEAKER.—I am not aware of any previous ruling of Mr. Speaker upon this point. If honorable members will consult the Standing Orders, they will see that it is imperatively laid down that all such motions, together with amendments thereon, must be completed before an adjournment or suspension is granted. That procedure is clear, and it is my duty to interpret the Standing Orders. So far as the motion at present under consideration is concerned, I point out that, before the time for the automatic conclusion of the debate thereon had been reached, the process of dealing with it and with the amendments attached thereto had been entered upon. It thus became the duty of the Chair, according to the Standing Orders, to carry the procedure through to finality. Such is now my intention.

Mr. PARKER MOLONEY.—I desire to move the addition of the following words to the amendment of the honorable member for Dampier (Mr. Gregory)—

Sir JOSEPH COOK.—I rise to order.

Mr. PARKER MOLONEY.—The Acting Prime Minister does not know what I am about to propose.

Sir JOSEPH COOK.—The honorable member has intimated his intention to move another amendment. Surely he cannot do any such thing at this stage!

Mr. DEPUTY SPEAKER.—I am not cognisant of what the honorable member for Hume (Mr. Parker Moloney) proposes to do.

Mr. PARKER MOLONEY.—I move—

That the following words be added to the amendment:—

“and that the Commonwealth Government should take steps to secure a continuance of the Wheat Pool, and provide an adequate cash guarantee to wheat-growers for all wheat delivered at railway sidings.”

Mr. DEPUTY SPEAKER.—Order! The honorable member for Hume is not in order. Will he please resume his seat?

Sir JOSEPH COOK.—That is all very well, sir; but the honorable member has put his amendment upon the records, and that is all he desired to do.

Mr. DEPUTY SPEAKER.—Order! I shall now submit the amendment of the honorable member for Dampier.

Amendment agreed to.

Question, as amended, resolved in the affirmative.

Sitting suspended from 1.9 to 2.15 p.m.

TAXATION DEPARTMENT OFFICERS.

Mr. MATHEWS asked the Treasurer, *upon notice*—

1. Is it a fact that certain clerical officers of the Federal Taxation Department, who were appointed to the 4th Class as from 1st January, 1921, are obliged to refund an amount based on the difference between £245 and £220 per annum for the period 1st January, 1921 (when promotion takes effect), to 10th February, 1921 (when promotion was gazetted)?

2. As such payment was apparently neither an irregularity nor an overpayment, on what authority is the refund ordered (if so ordered)?

3. Is it a fact that these officers were acting in the positions to which they were subsequently promoted, and were receiving £245 per annum under Arbitration Court award dated 3rd October, 1919?

4. If these officers had been satisfactorily performing the duties of the positions for upwards of two years, and if provision existed on the Estimates, what is the reason—

(a) that their promotions were not made as from a date earlier than 1st January, 1921;

(b) that as a result of promotion they are reduced from £245 to £220 per annum for performing the same duties as previously?

5. Will the Minister see that these alleged anomalies are removed, and direct either—

(a) that the promotions of these officers be made as from a date which will insure the continued payment of £245 per annum; or

(b) that £245 per annum be paid to them until they reach by incremental advancement the subdivision in which they were acting, and for which they were paid £245 per annum?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. The refund was necessary because from the date of promotion to the 4th Class, with salary of £220 per annum, the allowances to bring remuneration to £245 per annum were not payable.

3. Yes, they were receiving allowances as stated in No. 2.

4. (a) The positions became vacant during the latter part of 1920, and the promotions were recommended by the Acting Commissioner on 29th January, 1921. No justification existed for effecting the promotions from a date prior to 1st January, 1921. (b) See answer to No. 2.

5. No variation of action taken is contemplated.

COLONIAL AMMUNITION COMPANY'S WORKS.

Mr. MATHEWS asked the Minister representing the Minister for Defence, *upon notice*—

1. Will he inform the House of the conditions under which the Defence Department has taken over charge or control of the Colonial Ammunition Company's Works, Footscray?

2. Is there anything under the terms of the agreement or lease that will allow of the company resuming manufacture of metals “in part or whole” with any of the machinery in its works?

3. Has the Colonial Ammunition Company Proprietary Limited of Australia any interest, or is it likely to have any interest, in the manufacture or rolling of metals in the works which are now under Government control at Footscray?

Sir GRANVILLE RYRIE. — The answers to the honorable member's questions are as follow:—

1. The Department has taken over the works of the Colonial Ammunition Company Limited on lease for a period of seven years as from 1st January, 1921, at an annual rental of £20,000. The Department is to have full use of existing buildings, equipment, plant, machinery, &c., and entire control of the works, which will be run as a Government factory.

2. No.

3. Only in so far as the orders which were in the hands of the company at the date the Department took over the works.

FRUIT EXPORT.

Mr. GREGORY asked the Minister for Trade and Customs, *upon notice*—

How many cases of fruit were exported to Great Britain during the past season from Tasmania, Victoria, New South Wales, South Australia, and Western Australia respectively?

Mr. GREENE.—The unit of quantity in the statistics for fresh fruit is the cental. Based on this unit the figures sought are as follow:—

New South Wales—Apples, centals, 2,837; other fresh fruits, centals, nil; total centals, 2,837.

Victoria—Apples, centals, 68,775; other fresh fruits, centals, 6,409; total centals, 75,184.

South Australia—Apples, centals, 13,576; other fresh fruits, centals, 806; total centals, 14,382.

Western Australia—Apples, centals, 48,551; other fresh fruits, centals, 8,497; total centals, 57,048.

Tasmania—Apples, centals, 266,362; other fresh fruits, centals, 13,296; total centals, 279,658.

TRADE REPRISALS BY JAVA.

Mr. GREGORY asked the Minister for Trade and Customs, *upon notice*—

Whether it is a fact that there have been trade reprisals by increased duties or otherwise by Java against the importations of Australian fruits into Java owing to the recently increased duty on bananas? If not, have any representations been made to the Minister from Java in connexion with the above?

Mr. GREENE.—So far as is known, no reprisals have been made. Representations have been made by the Consul-General for the Netherlands on behalf of the Government of the Netherlands East Indies protesting against the increased duty on bananas.

NAVY: HOLIDAY LEAVE.

Mr. FLEMING (for Mr. HILL) asked the Minister for the Navy, *upon notice*—

Whether, in the case of lads who are engaged in the Navy, and are due for holidays when their ship is in a State other than that in which they live, the Minister will see that railway fares are available to them at half-rates to and from their homes?

Mr. LAIRD SMITH.—For some considerable time past the Department has made every endeavour to obtain the co-operation of the States with a view to securing privileges in railway travelling for officers and men of the Navy, but, so far, without success. Warrants charge-

able to the Navy Department are issued to officers and men given Christmas leave, from Sydney and Melbourne, in respect to the journey beyond Adelaide or Brisbane, to their homes, such ranks and ratings themselves meeting the cost of the journey as far as Adelaide or Brisbane. It is regretted that, in view of the present shortage of funds, it is not possible to grant further concessions.

SOLDIER LAND SETTLEMENT.

Mr. RODGERS. — On the 12th July last, the honorable member for Brisbane (Mr. Cameron) asked the following question:—

Whether I would furnish a statement showing—

- (a) The number of returned soldiers settled on the land in each State to 30th June last.
- (b) The average cost of settlement per individual soldier in each State.
- (c) The number of ex-soldiers remaining in each State to be settled in accordance with the arrangements made between the Federal and State Governments.

I now submit the following reply:—

The Department is not in possession of full and definite information on the above, a request for which has already been forwarded the Premiers of the several States.

Particulars are appended of such information as is available, and which may be helpful to the honorable member:—

- (a) Number of soldiers settled on the land. Figures supplied by the several State Governments—

New South Wales, to 31st March, 1921—5,782.

Victoria, to 30th June, 1921—7,845.

Queensland, to 30th June, 1921—2,413.

South Australia, to 30th June, 1921—2,245.

Western Australia, to 30th June, 1921—3,905.

Tasmania, to 30th June, 1921—2,209.

- (b) Until definite figures are obtained from the States under this head, no average can be given, but the following are the advances made available to 30th June, 1921, by the Commonwealth to the several States in connexion with their land settlement programme:—

New South Wales, £6,265,135; Victoria, £10,802,362; Queensland, £2,079,451; South Australia, £2,344,215; Western Australia, £3,205,980; Tasmania, £1,880,375.

- (c) Following are the original quotas which the States agreed to settle:—
 New South Wales, 8,405 men; Victoria, 5,395 men; Queensland, 2,826 men; South Australia, 1,729 men; Western Australia, 3,100 men; Tasmania, 1,855 men.

TAXATION ADMINISTRATION.

Sir JOSEPH COOK.—On 13th July, the honorable member for Parkes (Mr. Marr) asked the following question:—

Will the Acting Prime Minister make available, for the information of honorable members, the cost of the Central Administration and State branch offices of the Federal Taxation Department during the years 1917-18 and 1920-21?

I am now in a position to supply the following information:—

| Office. | Year— 1917-18. | | Year— 1920-21. | |
|-----------------------|-------------------|-------|-------------------|-------|
| | £ | s. d. | £ | s. d. |
| Central | 35,392 | 19 2 | 52,159 | 6 9 |
| New South Wales .. | 89,639 | 2 7 | 166,371 | 9 10 |
| Victoria | 56,998 | 8 9 | 116,145 | 2 8 |
| Queensland | 37,661 | 12 11 | 68,503 | 10 4 |
| South Australia .. | 28,845 | 7 9 | 60,905 | 1 2 |
| Western Australia .. | 27,888 | 10 7 | 43,605 | 9 5 |
| Tasmania | 11,842 | 17 7 | 18,443 | 16 10 |
| Northern Territory .. | 100 | 0 0 | 871 | 16 8 |
| | £287,918 | 19 4 | £527,095 | 13 8 |

The above information, taken alone, may induce misleading conclusions in the minds of the persons who may see it. The expenditure should not, it is thought, be stated apart from the revenue collections in the years in question, or apart from the causes of increases in the expenditure. The total collections of revenue by this Department in the stated years were—

1917-18 £11,382,432
 1920-21 £20,419,583

The respective percentage costs of collection were—

1917-18 2.529 per cent.
 1920-21 2.581 per cent.

The serious increases in costs as between 1917-18 and 1920-21 have arisen through—

- Very great increases in rates of pay to officers under Arbitration Court awards;
- the operation of the annual increment provisions of the Public Service Act;
- the large increase in the volume of work to be handled necessitate increases in staff and overtime duties; and
- by considerable increases in costs of supplies, of which the Department necessarily consumes large quantities.

WAR PENSIONS.

Mr. RODGERS.—On the 14th July, 1921, the honorable member for South Sydney (Mr. Riley) asked the following questions:—

Will he furnish a return for the year ended the 30th June, 1921, showing separately the following particulars for each State:—

- The number of applications for war pensions not granted?
- The number of reductions in war pensions?
- The number of cancellations in war pensions?
- The cost of State Boards?
- The fees received by chairmen and other members of such Boards.

The Repatriation Commissioners supply the particulars as set out in the attached return for the honorable member's information:—

Return for the Year ended 30th June, 1921.

- The number of applications for war pensions not granted (rejected)—

| | |
|-------------------------|-------|
| New South Wales | 1,095 |
| Victoria | 1,026 |
| Queensland | 330 |
| South Australia | 242 |
| Western Australia | 380 |
| Tasmania | 140 |

Total 3,213

- The number of reductions in war pensions—

| | |
|-------------------------|--------|
| New South Wales | 26,569 |
| Victoria | 27,645 |
| Queensland | 11,690 |
| South Australia | 8,007 |
| Western Australia | 7,003 |
| Tasmania | 4,614 |

Total 85,528

The main cause of reductions in rates of pension is the gradual recovery of ex-members of the Forces from wounds and illness. During the same period the number of increases in war pensions was—

| | |
|-------------------------|-------|
| New South Wales | 9,312 |
| Victoria | 9,005 |
| Queensland | 3,057 |
| South Australia | 2,676 |
| Western Australia | 4,419 |
| Tasmania | 943 |

Total 29,412

These increases are mainly the result of failing health or increased disability from wounds of ex-members of the Forces which has become evident on the review of the pensions. The number of reductions and increases quoted above include the pensions of ex-members of the Forces and their dependants in the proportion of approximately 40 per cent. and 60 per cent. respectively.

3. The number of cancellations in war pensions during the period—

| | | | |
|-------------------|----|----|--------|
| New South Wales | .. | .. | 11,405 |
| Victoria | .. | .. | 7,414 |
| Queensland | .. | .. | 2,117 |
| South Australia | .. | .. | 3,353 |
| Western Australia | .. | .. | 1,499 |
| Tasmania | .. | .. | 825 |

Total 26,613

This includes cancellations by reason of—

(i) Total recovery from wounds and illnesses, 70 per cent.

(ii) Miscellaneous causes, 30 per cent., including—

(a) Children reaching sixteen years of age.

(b) Widows re-married.

(c) Pensions surrendered or discontinued upon failure to attend for review, &c.

The proportion of ex-members and dependants in the above number is approximately—

Ex-members of the Forces, 40 per cent.

Dependants of ex-members of the Forces, 60 per cent.

During the same period, new war pensions have been granted to the number of—

| | | | |
|-------------------|----|----|-------|
| New South Wales | .. | .. | 7,828 |
| Victoria | .. | .. | 8,825 |
| Queensland | .. | .. | 2,831 |
| South Australia | .. | .. | 1,411 |
| Western Australia | .. | .. | 2,885 |
| Tasmania | .. | .. | 1,216 |

Total 24,996

4. Cost of State Boards for all services—

| | £ | s. | d. |
|-------------------|----|----|------------|
| New South Wales | .. | .. | 1,603 2 6 |
| Victoria | .. | .. | 1,943 11 0 |
| Queensland | .. | .. | 676 16 0 |
| South Australia | .. | .. | 1,022 3 6 |
| Western Australia | .. | .. | 1,466 17 0 |
| Tasmania | .. | .. | 365 8 0 |

Total 7,077 18 0

5. Rates of fees payable—

Chairman, 2½ guineas per session of at least four hours.

Other members, 2 guineas per session of at least four hours.

MILITARY AND NAVAL COLLEGES.

Mr. BLAKELEY (Darling) [2.21].—I rise to move that so much of the Standing Orders be suspended as would prevent me moving a motion in regard to the cost of the Royal Naval College, at Jervis Bay, and the Royal Military College, at Duntroon. My reason for desiring the suspension of the Standing Orders—

Sir JOSEPH COOK.—The honorable member cannot proceed to discuss this matter.

Mr. BLAKELEY.—I know the Government do not want me to discuss it, but I am moving for the suspension of

the Standing Orders in order to enable me to discuss it in accordance with the rules of the House. I do not want the Standing Orders twisted or distorted to suit me. That has been done too often.

Sir JOSEPH COOK.—Mr. Deputy Speaker, I call your attention to the fact that the honorable member is accusing you of twisting and distorting the Standing Orders.

Mr. PARKER MOLONEY.—He did not say anything of the sort.

Sir JOSEPH COOK.—He did. In any case, I submit that this matter cannot be debated.

Mr. CHARLTON.—The observation of the honorable member for Darling was not directed against Mr. Deputy Speaker. I understood him to say that he did not want the Standing Orders to be distorted in any way to suit him.

Mr. BLAKELEY.—By the interpretation placed upon the Standing Orders this morning I was prevented from bringing before the House a matter of great urgency and extreme importance to the people. I endeavoured to elicit some information from the Government yesterday—

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! The honorable member may not debate the question.

Mr. BLAKELEY.—I am not debating it; I am stating reasons why the Standing Orders should be suspended to enable me to deal with this matter. In stating my reasons I am pointing out that I am compelled to take this course, because I was prevented from dealing with the matter in another way. I desired to obtain certain information yesterday—

Sir JOSEPH COOK.—I rise to order. I submit that the honorable member cannot give reasons for a motion suddenly sprung upon the House in this way. The matter must be decided at once, and without debate. In any case, the honorable member can only ask for leave to move a motion. He is now proceeding to discuss the question.

Mr. BLAKELEY.—The Government are afraid of the disclosures I may make.

Mr. DEPUTY SPEAKER.—The honorable member for Darling (Mr. Blakeley) may, in accordance with the rules, move to suspend the Standing Orders, but I have already told him that at this stage he cannot debate the subject of the Military and Naval Colleges.

Mr. CHARLTON.—He may state reasons for the suspension of the Standing Orders.

Mr. DEPUTY SPEAKER.—But those reasons must not extend into a debate of the question.

Mr. BLAKELEY.—I have not attempted to debate the question. I endeavoured to elicit certain information which Ministers have refused to give, and, because of that refusal, I handed to you, Mr. Deputy Speaker, last night a notice that it was my intention to move to-day the adjournment of the House—

Sir JOSEPH COOK. — On a point of order. The honorable member is proceeding to debate the question and to give reasons why he wishes to move a certain motion.

Mr. CONSIDINE.—On a point of order. Is the Acting Prime Minister in order in questioning your ruling?

Mr. DEPUTY SPEAKER.—The honorable member for Barrier must resume his seat.

Sir JOSEPH COOK.—The honorable member for Darling can only at this stage move a suspension of the Standing Orders and test the feeling of the House immediately, and I doubt if he can do even that without leave. He is now proceeding to debate the matter before the Standing Orders are suspended. He cannot do that. The standing order clearly refers to "cases of urgent necessity." Is there any urgent necessity about this matter?

Mr. CHARLTON.—Yes.

Sir JOSEPH COOK.—There is an urgent necessity to waste the rest of the day.

Mr. CHARLTON.—The Acting Prime Minister has nobody but himself to blame for the time that was wasted this morning.

Sir JOSEPH COOK.—I submit that the honorable member for Darling may only move, without debate, the suspension of the Standing Orders, and the motion must be carried by an absolute majority of members of the House.

Mr. CHARLTON.—In regard to the point of order, I draw attention to standing order 407—

In cases of urgent necessity, any standing or sessional order or orders of the House may be suspended for the day's sitting on motion, duly made and seconded without notice: Provided that such motion is carried by an absolute majority of the whole number of the members of the House.

I contend that the honorable member for Darling is perfectly in order in stating reasons why the Standing Orders should be suspended in order that he may deal with a matter which is of urgent necessity. We talk a great deal about the financial position, and the honorable member desires to show that the Government are spending thousands of pounds needlessly, and that money has been wasted. Is not that a matter of urgent necessity?

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—This matter is governed by standing order 407. Several rulings in regard to matters of urgency have been given; they are to the effect that the power to decide what is a matter of urgency has been taken from Mr. Speaker, and that the decision rests with the House.

Sir JOSEPH COOK.—The question must be decided at once.

Mr. DEPUTY SPEAKER.—Order!

Mr. BLAKELEY.—The matter is one of urgent necessity, because a sum probably exceeding £147,000 will be spent this year if the House does not take preventive action.

Mr. DEPUTY SPEAKER.—Order! The honorable member is now debating the question.

Mr. BLAKELEY.—I have said that £147,000 will be expended—

Sir JOSEPH COOK.—I rise to order. Will you, Mr. Deputy Speaker, inform me whether or not a motion has been submitted?

Mr. DEPUTY SPEAKER. — The honorable member for Darling is in process of submitting a motion.

Sir JOSEPH COOK.—I submit that he should move his motion, and his reasons can be stated only after the motion has been handed to the Chair.

Mr. CHARLTON.—It is well known that a member first states his reasons and then concludes with a motion.

Sir JOSEPH COOK.—Not in a matter of this kind.

Mr. DEPUTY SPEAKER. — The honorable member for Darling intimated that he intended to move the suspension of the Standing Orders. He proceeded to speak in support of his motion, and I reminded him that he must confine his remarks to a statement of reasons why the Standing Orders should be suspended. The honorable member has said that he intends to conclude with a motion, and

I can find nothing in the Standing Orders that prohibits the course of action he has taken.

Mr. BLAKELEY. — Mr. Deputy Speaker—

Sir JOSEPH COOK.—I rise to a point of order. This matter is not so simple as it looks. I remind you, Mr. Deputy Speaker, of where this takes us. If the honorable member, Mr. Blakeley, may give reasons, other honorable members may also do so, and this may be done any day and every day, and at any hour of the day.

Mr. CHARLTON.—Is the Acting Prime Minister in order in traversing your ruling, Mr. Deputy Speaker?

Mr. DEPUTY SPEAKER.—The Acting Prime Minister intimated his intention to take a point of order.

Mr. CHARLTON.—I ask your ruling, Mr. Deputy Speaker.

Sir JOSEPH COOK.—I want your ruling, Mr. Deputy Speaker, as to what can be done under this motion. I submit that a matter of urgent necessity must be something of which notice cannot be given. Honorable members could go on debating this motion until to-morrow morning, and that means that the whole business of the Parliament may be paralyzed by any honorable member, without notice or intimation, at any time of the day, for any purpose whatever.

Mr. DEPUTY SPEAKER.—I have already intimated that I am not in the position to be called on to say whether this is a matter of urgency or not. I have read the standing order, which permits honorable members to do certain things, and the Chair is powerless to intervene; it is a matter of the alteration of the Standing Orders. The standing order is perfectly clear; and my interpretation of it is that, while a general debate cannot be allowed prior to the motion having been stated from the Chair, the honorable member, so long as he confines himself to reasons why the Standing Orders should be suspended, is within the standing order.

Mr. BLAKELEY.—I have been vainly endeavouring to give reasons why the Standing Orders should be suspended. I have been continually interrupted by the Acting Prime Minister, who, apparently, is not himself this morning. In his de-

sire to get on with the business of the House, he has continually obstructed an honorable member who is desirous to bring up matters or urgent public importance. I have not deviated from giving reasons why the Standing Orders should be suspended. I endeavoured to elicit information with regard to the particular matter with which I desire to deal, and failed to get it. I endeavoured to find out what the Government intend to do with reference to the curtailing of certain extravagant expenditure. Last night, Mr. Deputy Speaker, I handed you a letter in which I intimated that it was my intention to move the adjournment of the House to-day to deal with a matter of urgent public importance, namely, the cost of the maintenance and upkeep of the Royal Naval College at Jervis Bay, and of the Military College at Duntroon. Although I rose in my place several times to-day, you did not call me. The custom of the House has been for yourself or Mr. Speaker, as the case may be, to call on the member who has given notice; but this morning that was not done. The Acting Prime Minister was called on and he read, and laid on the table, a paper, obviously in order to prevent me from submitting my motion. This is a matter which concerns every member of the House. Huge sums of money are involved. Is the Acting Prime Minister now trying to arrange with the Country party to move the "gag" on me?

Sir JOSEPH COOK.—I am determined that I will not have the House held up in this way.

Mr. BLAKELEY.—Is the right honorable gentleman in order in reflecting on the Chair by saying the House is being held up by your ruling?

Mr. DEPUTY SPEAKER.—I do not understand the Acting Prime Minister to be reflecting on the Chair.

Sir JOSEPH COOK.—Not at all, Mr. Deputy Speaker.

Mr. BLAKELEY.—I have been prevented by the operation of standing order 119 from dealing with this particular matter.

Sir JOSEPH COOK.—Will the honorable member let me say—

Mr. BLAKELEY.—I will let you say nothing; you have been "saying" all the morning.

Motion (by Mr. HECTOR LAMOND) proposed—

That the honorable member for Darling (Mr. Blakeley) be not further heard.

Question put. The House divided.

Ayes 27

Noes 13

Majority 14

AYES.

| | |
|------------------|----------------------|
| Bamford, F. W. | Lamond, Hector |
| Bell, G. J. | Lister, J. H. |
| Best, Sir Robert | Marks, W. M. |
| Blundell, R. P. | Marr, C. W. C. |
| Cameron, D. C. | Poynton, A. |
| Cook, Sir Joseph | Rodgers, A. S. |
| Foster, Richard | Ryrie, Sir Granville |
| Fowler, J. M. | Smith, Laird |
| Greene, W. M. | Stewart, P. G. |
| Gregory, H. | Watt, W. A. |
| Groom, L. E. | Wise, G. H. |
| Higgs, W. G. | <i>Tellers:</i> |
| Hill, W. C. | Burchell, R. J. |
| Jowett, E. | Story, W. H. |

NOES.

| | |
|-------------------|-------------------|
| Blakeley, A. | Mathews, J. |
| Charlton, M. | McDonald, C. |
| Considine, M. P. | McWilliams, W. J. |
| Cunningham, L. L. | West, J. E. |
| Gabb, J. M. | <i>Tellers:</i> |
| Makin, N. J. O. | Moloney, Parker |
| Maloney, Dr. | Riley, E. |

PAIRS.

| | |
|------------------|------------------|
| Bowden, E. K. | Catts, J. H. |
| Bruce, S. M. | McGrath, D. C. |
| Chapman, Austin | Fenton, J. E. |
| Corser, E. B. C. | Lavelle, T. J. |
| Foley, G. J. | Lazzarini, H. P. |
| Hughes, W. M. | Tudor, F. G. |
| Jackson, D. S. | Mahony, W. G. |
| Livingston, J. | Brennan, F. |
| Mackay, G. H. | Watkins, D. |
| Maxwell, G. A. | Ryan, T. J. |
| Gibson, W. G. | Anstey, F. |
| Cook, Robert | Nicholls, S. R. |

Question so resolved in the affirmative.

PROPOSED LOAN.

Sir JOSEPH COOK (Parramatta—Acting Prime Minister and Treasurer) [2.41].—I should like to make an appeal to honorable members opposite.

Mr. BLAKELEY.—It is of no use making an appeal—not the slightest use.

Mr. PARKER MOLONEY.—The Acting Prime Minister first “gags” us, and then makes an appeal to us.

Mr. DEPUTY SPEAKER.—Order!

Sir JOSEPH COOK.—I desire to make an announcement to the House concerning the proposed loan.

Mr. CHARLTON.—We object—that is very definite.

Mr. HIGGS (Capricornia) [2.42].—I desire to move that the Standing Orders be suspended to enable the Treasurer to make a statement regarding the loan.

Mr. WATT.—I second the motion.

Sir JOSEPH COOK.—We have not an absolute majority.

Mr. WATT.—No matter; let us have a vote.

Several honorable members interjecting.

Mr. DEPUTY SPEAKER.—Order! It is quite impossible to hear what honorable members are saying.

Mr. HIGGS.—Mr. Deputy Speaker—

Mr. MATHEWS.—I wish to move that the honorable member for Capricornia (Mr. Higgs) be no longer heard.

Mr. DEPUTY SPEAKER.—Will the honorable member resume his seat and allow the Chair to hear what is being said by the honorable member for Capricornia.

Mr. HIGGS.—The motion I desire to move is that so much of the Standing Orders—

Mr. CONSIDINE.—I move—
That the honorable member be no longer heard.

Mr. DEPUTY SPEAKER.—I ask the honorable member to resume his seat, and allow the Chair to conduct the proceedings with at least some dignity.

Mr. CONSIDINE. — Mr. Deputy Speaker—

Mr. DEPUTY SPEAKER.—Will the honorable member resume his seat?

Mr. HIGGS.—I desire to explain—

Mr. CONSIDINE.—I rise to a point of order.

Mr. HIGGS.—I shall write out the motion which I desire to move.

Mr. CONSIDINE.—I rise to a point of order, Mr. Deputy Speaker. I draw your attention to the difference of your attitude in accepting a motion from an honorable member opposite that a member on this side be no longer heard, from the attitude you now adopt in refusing to accept a similar motion from this side.

Mr. DEPUTY SPEAKER.—Will the honorable member resume his seat? I refuse to accept that reflection on the Chair. I have done no such thing as the honorable member states, and I ask him to withdraw the reflection on the Chair.

Mr. CONSIDINE.—If, Mr. Deputy Speaker, there is no change in your atti-

tude, then my motion is in order that the honorable member for Capricornia (Mr. Higgs) be no longer heard.

Mr. DEPUTY SPEAKER. — The interpretation of the standing order, to any reasonable mind, is that it is applicable when a debate is in progress. In all my experience I have never known an attempt to be made to apply it when a member was stating the terms of a motion which had not been stated from the Chair. It is certainly open to an honorable member to rise and state the terms of a motion, and this the honorable member for Capricornia was doing. There was such a hubbub at the time that I could not catch the words of the motion, and I asked the honorable member to repeat them. When the motion has been stated, if an honorable member desires to take a certain course, it is quite open to him to do so. The honorable member for Capricornia (Mr. Higgs) has handed me the following intimation in writing—

I desire to move that so much of the Standing Orders be suspended as will permit the Acting Prime Minister to make a statement regarding the proposed loan.

Mr. CHARLTON (Hunter) [2.45].—
Mr. Deputy Speaker—

Motion (by Sir JOSEPH COOK) put—
That the question be now put.

The House divided.

| | | | | |
|------|----|----|----|----|
| Ayes | .. | .. | .. | 32 |
| Noes | .. | .. | .. | 12 |

Majority 20

AYES.

| | |
|------------------|----------------------|
| Atkinson, L. | Jowett, E. |
| Bamford, F. W. | Lamond, Hector |
| Bayley, J. G. | Lister, J. H. |
| Bell, G. J. | Marks, W. M. |
| Best, Sir Robert | Marr, C. W. C. |
| Blundell, R. P. | McWilliams, W. J. |
| Cameron, D. C. | Poynton, A. |
| Cook, Sir Joseph | Rodgers, A. S. |
| Fleming, W. M. | Ryrie, Sir Granville |
| Foster, Richard | Smith, Laird |
| Fowler, J. M. | Stewart, P. G. |
| Francis, F. H. | Watt, W. A. |
| Greene, W. M. | Wise, G. H. |
| Gregory, H. | |
| Groom, L. E. | |
| Higgs, W. G. | |
| Hill, W. C. | |

Tellers:

Burchell R. J.
Story, W. H.

NOES.

| | |
|-------------------|--------------|
| Blakeley, A. | McDonald, C. |
| Charlton, M. | Riley, E. |
| Considine, M. P. | West, J. E. |
| Cunningham, L. L. | |
| Makin, N. J. O. | |
| Maloney, Dr. | |
| Mathews, J. | |

Tellers:

Gabb, J. M.
Moloney, Parker

PAIRS.

| | |
|------------------|------------------|
| Bowden, E. K. | Catts, J. H. |
| Bruce, S. M. | McGrath, D. C. |
| Chapman, Austin | Fenton, J. E. |
| Corser, E. B. C. | Lavelle, T. J. |
| Foley, G. J. | Lazzarini, H. P. |
| Hughes, W. M. | Tudor, F. G. |
| Jackson, D. S. | Mahony, W. G. |
| Livingston, J. | Brennan, F. |
| Mackay, G. H. | Watkins, D. |
| Maxwell, G. A. | Ryan, T. J. |
| Gibson, W. G. | Anstey, F. |
| Cook, Robert | Nicholls, S. R. |

Question so resolved in the affirmative.

Question—That the Standing Orders be suspended—put. The House divided.

| | | | | |
|------|----|----|----|----|
| Ayes | .. | .. | .. | 32 |
| Noes | .. | .. | .. | 12 |

Majority 20

AYES.

| | |
|------------------|----------------------|
| Atkinson, L. | Jowett, E. |
| Bamford, F. W. | Lamond, Hector |
| Bayley, J. G. | Lister, J. H. |
| Bell, G. J. | Marks, W. M. |
| Best, Sir Robert | Marr, C. W. C. |
| Blundell, R. P. | McWilliams, W. J. |
| Cameron, D. C. | Poynton, A. |
| Cook, Sir Joseph | Rodgers, A. S. |
| Fleming, W. M. | Ryrie, Sir Granville |
| Foster, Richard | Smith, Laird |
| Fowler, J. M. | Stewart, P. G. |
| Francis, F. H. | Watt, W. A. |
| Greene, W. M. | Wise, G. H. |
| Gregory, H. | |
| Groom, L. E. | |
| Higgs, W. G. | |
| Hill, W. C. | |

Tellers:

Burchell R. J.
Story, W. H.

NOES.

| | |
|-------------------|--------------|
| Blakeley, A. | McDonald, C. |
| Charlton, M. | Riley, E. |
| Considine, M. P. | West, J. E. |
| Cunningham, L. L. | |
| Makin, N. J. O. | |
| Maloney, Dr. | |
| Mathews, J. | |

Tellers:

Gabb, J. M.
Moloney, Parker

PAIRS.

| | |
|------------------|------------------|
| Bowden, E. K. | Catts, J. H. |
| Bruce, S. M. | McGrath, D. C. |
| Chapman, Austin | Fenton, J. E. |
| Corser, E. B. C. | Lavelle, T. J. |
| Foley, G. J. | Lazzarini, H. P. |
| Hughes, W. M. | Tudor, F. G. |
| Jackson, D. S. | Mahony, W. G. |
| Livingston, J. | Brennan, F. |
| Mackay, G. H. | Watkins, D. |
| Maxwell, G. A. | Ryan, T. J. |
| Gibson, W. G. | Anstey, F. |
| Cook, Robert | Nicholls, S. R. |

There not being an absolute majority of the members of the House voting for the question, it was resolved in the negative.

SHALE OIL BOUNTY BILL.

SECOND READING.

Mr. GREENE (Richmond—Minister for Trade and Customs) [2.58].—I move—

That this Bill be now read a second time.

I do not think I need add much to what was said about the Bill by the Acting Prime Minister last night. Parliament voted £270,000 to encourage the production of oil from shale, and £84,680 11s. 3d. has been paid in respect of 7,870,022 gallons of oil produced, so that about £186,000 is still unexpended. It is expected that claims for about £4,000 will be received in connexion with production since the 17th June last. The Act expires on 31st August, and the Government proposes to look thoroughly into the whole question of the production of oil in the twelve months for which this Bill will extend its operations. If the Tariff Board be appointed, as we anticipate, this is one of the matters to which it will be asked to give attention. The experience we have had in this matter has not been altogether satisfactory, but we want to discover whether or not there are reasonable grounds for believing that the continuation of this kind of assistance to the industry will produce more permanent results than up to the present would appear to be likely.

Mr. CHARLTON.—What companies are drawing the bounty?

Mr. GREENE.—The Newnes Company, with which John Fell and Company are more immediately concerned, is alone drawing the bounty. Every one knows that the history of the company carrying on operations at Newnes has not been altogether satisfactory. We desire an opportunity to look into the whole question; we want particularly to find out to what extent new fields are likely to be developed, and whether there is a probability that these new fields will give more satisfactory results than those which have been worked have so far done.

Mr. WEST.—This will not interfere with oil production in Papua?

Mr. GREENE.—No. This Bill has nothing whatever to do with Papua. It relates to the production of crude oil from shale. I hope the House will agree to it with as little delay as possible.

Mr. RILEY (South Sydney) [3.2].—When the original Bill was before the House, the then Minister for Trade and Customs presented to us a glowing picture of the future of shale oil production in Australia. The period in respect of which the bounty was payable under that measure is about to expire, and we are asked to extend it for a further term of twelve months, since the whole of the money provided for this purpose under the principal Act has not yet been expended. What is the history of the company at Newnes, which alone is claiming the bounty? It is producing a crude oil and drawing the bounty, in my opinion, under false pretences. Instead of conferring any advantage on the people of Australia, it is merely selling the crude oil which it produces to gas companies in Auckland and Christchurch, New Zealand, as well as to the Sydney, North Sydney, and Manly Gas Companies. Surely this bounty was not designed to enable gas companies to pay bigger dividends. Messrs. Fell and Company have not gone beyond the production of crude shale oil.

Mr. GREENE.—The bounty is only payable upon the production of crude shale oil.

Mr. RILEY.—When the original Bill was before us we were not told that all the benefits derived from the payment of the bounty would be secured only by big gas companies. Having regard to the price which the public has to pay for gas, I do not think that the gas companies want any help from us. The public have reaped no advantage from the bounty. We are being asked to continue it merely to benefit companies that are already well off.

The one redeeming feature in the speech made by the Minister (Mr. Greene) is the statement that the Tariff Board to be appointed will be asked to investigate this matter. I have visited the works at Newnes and have seen kerosene being produced from crude oil. In the process of refining, paraffin wax and other by-products are secured. During the war period, when the price of kerosene oil was enormously increased, and when it was difficult to obtain supplies, no effort was made by the Newnes company to produce kerosene oil. It seems to me that this bounty has been misplaced. Those who have been drawing it have not done the fair thing by the country. Had they

made an honest effort during the war to produce kerosene from the crude oil, and so to relieve the people of the Commonwealth who were being called upon to pay enormous prices, I would not have protested against the continuance of the system. I would not object to John Fell, or any one else, drawing the bounty as long as he did the right thing in regard to it. But this company has not done the right thing. It has simply been producing crude oil, and selling it to various gas companies, so that we have been feeding people who are already well fed. I am not in favour of the continuance of the bounty unless we have a guarantee that these people will produce not only crude oil, but kerosene oil. In the absence of any such undertaking I shall vote against the second reading of the Bill.

Mr. ATKINSON (Wilmot) [3.8].—I supported the original Bill when it was before the House some years ago, and I shall support this measure, but I think it is possible to improve it. All that the honorable member for South Sydney (Mr. Riley) has said concerning the company carrying on operations at Newnes may be true; but other companies are arranging to produce crude oil, and I hope will go much further than Mr. Fell's company has done. A company has been formed to produce oil from shale deposits in Tasmania. It will not produce kerosene, because the shale to be treated does not lend itself to the production of that class of oil; but it yields a very excellent crude oil, and many valuable by-products. When Admiral Henderson visited Australia some years ago, he declared that the oil produced from the shale in question was very suitable for the ships of the Navy, and steam-ships generally, and I believe it is the intention of the company which is taking over the working of these deposits to erect retorts, and to break down the oil in a refinery in this State.

Mr. McWILLIAMS.—At Yarraville.

Mr. ATKINSON.—That is so. Out of the amount originally set apart for the payment of a shale oil bounty, a sum of £186,000 yet remains to be expended, and it is proposed by this Bill to extend the payment of the bounty over a further period of twelve months. I should prefer to make the bounty payable for the next three years. I do not ask that the amount shall be increased, but merely

that the payment shall be spread over three years instead of one. It is hardly possible for new companies to come in during the next twelve months and secure any part of this bounty, but if the period of payment were extended for three years instead of twelve months as proposed in the Bill, the result, I am sure, would be beneficial. When we go into Committee I shall move accordingly.

Mr. WEST.—Why does the honorable member desire the payments to be spread over the next three years instead of being confined to the next twelve months?

Mr. ATKINSON.—For some years I have been urging that a Tasmanian company should be given a contract for the supply of crude oil to the Australian Navy, but, so far, my efforts have been unsuccessful. That company, owing to the failure to obtain such a contract, has not been able to raise the money necessary to develop its leases; but another company, whose head-quarters, I understand, are in Melbourne, has made arrangements with the holders of those leases to work them under the royalty system. The retorts are being erected, and, according to the manager, the field is developing just as the late Mr. Twelvetrees, who was geologist for Tasmania, predicted it would do. It would appear that, just as he and other authorities predicted, large deposits of shale are opening up. The honorable member for East Sydney (Mr. West) knows that the industrial world is using more and more oil, so that crude oil propositions which twenty or thirty years ago would have been of no value are to-day very profitable. I hope the Minister will agree to extend the period for three years instead of twelve months.

Mr. GREENE.—I do not want to extend the term beyond a year, because I am not satisfied that the payment of a bounty on crude oil is the best way to assist the industry. My impression is that it would be better to give a bounty on the products of the crude shale oil, and that is why I think it wise to extend the period of payment for only twelve months. By that time, we shall have obtained information that will enable us to decide whether the period should be further extended, or whether the bounty should be given only on the products of the crude oil.

Mr. ATKINSON.—If that is so, is there any reason why we should provide for any extension of the period?

Mr. GREENE.—Yes. If we did not provide for an extension the money set apart for the purpose would lapse.

Mr. ATKINSON.—Surely if we made the bounty payable over a period of seven years from 1st September, 1917, instead of only five years, as proposed in this Bill, it would not interfere with the Minister's plans.

Mr. GREENE.—If we passed an Act making it payable for seven years, the Parliament would thus enter into a moral obligation to pay it to any one producing crude shale oil during that period. If the Government desired to change the basis of the payment of the bounty from the crude shale oil to the refined product, they would not be able to do so, and, at the same time, hold to their moral obligation to the producers of the crude oil.

Mr. ATKINSON.—In the circumstances, perhaps, the Government could do so. After all, the amount involved consists only of a carry-over for twelve months. Even if Parliament made the period three years it would not be a highly immoral procedure if, at the end of twelve months, a repealing measure were, if necessary, introduced. I had hoped that the Minister would accept the term of three years, provided that no increase of bounty were asked for.

Mr. MATHEWS (Melbourne Ports) [3.17].—I trust that there will be no extension to seven years. It is evident that the mere production of crude shale oil is not very beneficial to the community. I believe that if the bounty is given upon the refined products—and there are very many of these, as laboratory experiments and demonstrations will make apparent to any investigator—it will be far better for Australia. There will be a greater amount of employment arising from refining processes, and these latter undertakings will be entered upon much more extensively than to-day.

Mr. McWILLIAMS (Franklin) [3.18].—There is much reason in the attitude of the Minister (Mr. Greene), and, at the same time, there is something behind the argument of the honorable member for South Sydney (Mr. Riley). Having been a consistent supporter of the bounty system for many years, and, particularly, in respect of the extraction of crude shale oil, I am able to say that it was never intended that the bounty should be given upon the crude oil, and, at the same time,

that that commodity should be exported out of Australia. As the honorable member for South Sydney has remarked, this practice has been going on for some time. A company has now taken up the Latrobe shale oil deposits, in the electorate of Wilmot, and it has erected refinery works at Yarraville. The proposal of the Minister is a good one. If it is to be understood that the only reason why the extension for a year is proposed is to enable the authorities to review the basis on which the bonus is payable, I shall agree to the Bill without further parley. There is one very strong point which I desire to make. Any one who cares to read the report of Viscount Jellicoe will be uncomfortably impressed with the fact that the supply of oil for the Australian Navy is unsatisfactory. It is only too fully realized that the Australian Navy is dependent on the fuel oil which comes here from Sumatra or Borneo; and experts have pointed out that a couple of hostile torpedo boats, lying up in those island waters, could very easily cut off our Naval supplies. In his report upon naval defence, submitted to the Commonwealth in 1919, Viscount Jellicoe said—

Whilst the coal question is in a highly dangerous state, the supply of oil fuel to ships on the large scale that would be necessary in the event of active service is equally unsatisfactory. The whole question should be treated as very urgent. In this connexion, it is noted that the reports on the shale oil field in northern Tasmania are uniformly most satisfactory. It is very desirable that early action should be taken in developing this source of supply.

I know that the Minister for the Navy (Mr. Laird Smith) has been giving this matter his most earnest attention for some time, and that, under conditions laid down by the Naval Board, the Minister has agreed to permit a trial of the oil for the Navy. Steps are being taken in that direction. I thoroughly agree with the honorable member for South Sydney that if a bounty is given to a company to produce shale oil, and our Navy requires that commodity, its export should be prohibited. If the proposal of the Government is that the bonus shall be granted more upon the refined product than upon the crude oil, it will be in keeping with the views and desires of all those who originally supported the bounty principle. Here, we have a company which is spending a very large sum of money in erecting refineries. The true object of the

bonus is now, perhaps, for the first time, about to be given application.

Question resolved in the affirmative.

Bill read a second time.

In Committee

Clause 1 agreed to.

Clause 2—

Section 2 of the principal Act is amended by omitting the words "four years" and inserting in their stead the words "five years".

Section proposed to be amended:—

There shall be payable out of the Consolidated Revenue Fund the sum of two hundred and seventy thousand pounds during the period of four years commencing on the first day of September, one thousand nine hundred and seventeen, for the payment of bounty in accordance with this Act.

Mr. RILEY (South Sydney) [3.25].—

I desire some information concerning the means by which the bonus is paid upon crude shale oil. I understand that the oil is transported over the railways in specially-constructed steel trucks, and that the procedure by which the quantity of oil is gauged for the payment of the bounty is to place a measuring rod into the oil in the tank upon the truck. Suppose, however, that the tank is half full of water. I have been given to understand that it is possible that under this system of measurement a bonus can be secured upon the whole of the contents of the tank, irrespective of whether or not it is entirely oil. The suggestion is that the Government may be defrauded.

Mr. GREENE (Richmond—Minister for Trade and Customs) [3.26].—Every precaution which the Department can devise in respect of the payment of the bounty is taken before the actual sums are paid over. There are very strict regulations having to do both with the payment of this bounty and of others. I shall undertake to have inquiries made to see whether there is any possibility of fraud in the direction hinted at by the honorable member.

Mr. ATKINSON (Wilmot) [3.27].—

Will it be possible for the New South Wales company which has been established—and accepting, for the sake of argument, that that may be the only firm in a position to claim the bounty within twelve months—to secure the whole of this balance of £186,000 in one year?

Mr. GREENE (Richmond—Minister for Trade and Customs) [3.28].—The amount

payable in any one year is specified in section 4 of the Act as follows:—

(1) The total amount of the bounty authorized to be paid in any one year shall not exceed the sum of sixty-seven thousand five hundred pounds.

As a matter of fact, it would be quite impossible for any one firm to absorb the whole of the amount available during twelve months. There would be entailed enormous extension of existing plants, at any rate, before any thing like that could come about.

Mr. GABB.—I call attention to the state of the Committee. [*Quorum formed.*]

Clause agreed to.

Clauses 3 and 4, and title, agreed to.

Bill reported without amendment; report adopted.

Bill read a third time.

SUPPLY BILL (No. 2) 1921-22.

Bill returned from the Senate without request

PAPER.

The following paper was presented:—

Factories—Commonwealth Government—Reports on—Clothing, Cordite (including Acetate of Lime), Harness, Saddlery, and Leather Accoutrements, Small Arms, Woollen Cloth—Reports for year ended 30th June, 1920.

Ordered to be printed.

ALBION AND NEWMARKET AUTOMATIC TELEPHONE EXCHANGES.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [3.31].—I move—

That, in accordance with the provision of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed works:—Erection of Automatic Telephone Exchanges, Albion and Newmarket, Queensland—which said works were referred to the Public Works Committee, and on which the Committee has duly reported to this House the result of its inquiries.

The Public Works Committee have reported that, after careful consideration of the evidence, they are satisfied that the necessity exists for the automatic telephone exchanges at Albion and Newmarket, and recommend that their construction be put in hand as speedily as possible. The total estimated cost is £89,779, of which £7,450 is for buildings, £6,000 for air conditioning plants,

£61,954 for exchange equipment, including that necessary at other exchanges, £12,548 for equipment for subscribers' premises, and £1,797 for line plant (conduit cables and aerial lines). Summarized, the cost of the installations, including land purchases, will be £90,043. The condition of the service in Brisbane is such as to necessitate this work being proceeded with as early as possible.

Mr. CHARLTON (Hunter) [3.32].—I do not take up the attitude that these works should not be proceeded with; but I point out that whilst we are carrying out big works of this character in the metropolitan areas, it is not fair to the country that they should not be provided with better facilities than are being offered to-day. They are calling out for postal and telephonic conveniences, and, apparently, there is no chance of their requests being complied with. Yet we are increasing and improving the larger works in the capital cities. I believe these works are necessary, and should be carried out; and that there may be similar works in other capital cities that are equally necessary. But I question whether the country districts are given fair consideration in comparison with the cities. The expenditure on postal, telegraphic, and telephonic services is limited, and I question whether it is fairly proportioned between city and country. I am inclined to think that we spend much the greater amount in the cities.

Mr. WEST.—The larger population deserves the larger expenditure, and I can assure the honorable member that works in the cities are needed.

Mr. CHARLTON.—The honorable member speaks as one who represents a city constituency, and represents it well; but whilst I take no exception to money being expended in the cities, I am asking that the country districts should get a proportionate share. I do not say that the Postmaster-General (Mr. Wise) is at fault, but because of the difficulty of obtaining raw material and the shortage of money for many years past the country services have been starved. During the tenure of office of the last Postmaster-General (Mr. Webster), the expenses of the Department were cut down wherever possible, and very often the country districts suffered. In parts of my own electorate facilities which had been enjoyed for upwards of

twenty years were taken away; but the present Postmaster-General has restored some of them. Therefore, I am making no complaint against his administration; I am merely asking that country requirements should not be lost sight of when expenditure on postal and telephonic facilities is being apportioned. If £2,000,000 were available for expenditure in this way, I do not say that the country and the city should equally divide it; but, having regard to the sparseness of the rural population, there should be a little more expenditure in the country in order to establish a fairer proportion. I avoided speaking on the Supply Bill in regard to this matter, although I would have liked to address myself to it as it affects the rural population of Australia generally. Honorable members will admit that country people are at a considerable disadvantage in consequence of the limited amount of money expended, and the difficulty in procuring the necessary appliances for telephone installations. Even where services have been established in the country the settlers have had to guarantee certain amounts to insure that the services would be payable. Even when those guarantees have been given, the services have not always been established. It is not fair to require pioneers, who desire facilities which will keep them in touch with civilization, to guarantee an amount of money in addition to the ordinary revenue, so that the service may be payable. If a guarantee against loss is to be required in connexion with every proposition of the kind, the settlement and development of the country will be retarded. When people go into the backblocks, and try to improve the country, we should assist them by giving them facilities, without asking them to pay more than is paid by subscribers in the city. I hope the Postmaster-General will not lose sight of these facts. We are on the eve of a short recess, during which these matters will require to be considered by Cabinet, and I ask Ministers to see if there cannot be a better allocation of the expenditure by the Postal Department than there has been in the past. When £89,000 is being spent in one city and £100,000 in some other city, whilst at the same time not even £20 can be provided for a country service, a very unfair position is created, and it makes difficult the position of those who repre-

sent country constituencies. People ask why it is that so much money can be expended upon city works and so little made available to the country, and why, even when a service is given in the country, the poor, struggling settler has to guarantee to make good any deficiency. The whole system should be altered in order to give greater encouragement to settlement. We are constantly talking about decentralization and providing for the settlement of people in country districts, and we should give practical encouragement to that idea by providing people who do settle in the distant rural areas with reasonable facilities by which they can keep in touch with the outside world.

Mr. WISE (Gippsland—Postmaster-General) [3.40].—I quite agree with the remarks made by the honorable member for Hunter (Mr. Charlton), and I have kept that aspect of the matter in mind when dealing with the requirements of country districts. We cannot give a telephone service to every country town that asks for it without requiring any guarantee at all, but we made a very great concession last year by reducing the amount of such guarantees. For instance, if there is likely to be a deficiency of £20, we ask the people to be served to guarantee 25 per cent. of it, the Department providing the balance. I am doing all I can with the funds at my disposal to extend the facilities in the country districts as far as possible. As a representative of a rural constituency—and a pretty rough one in parts—I know the wants of the people in the country, but we can expend only what money the Treasurer is able to give us. Last year he allowed us £900,000, which was considerably more than the vote for the previous year, and he has allowed us to anticipate a vote of £900,000 for the current year by ordering material in advance so that it would be coming to hand this year, instead of our having to wait until the money was voted before placing our orders. I hope we shall be able to get more money this year in order to enable us to overtake arrears of work. I assure the honorable member for Hunter that I am fully alive to the necessity for extending all these facilities.

Mr. RILEY.—What is the Department doing about the provision of another automatic exchange at Sydney?

Mr. WISE.—I cannot say definitely at this moment, but I know that the matter is under consideration.

Mr. WEST (East Sydney) [3.42].—The honorable member for Hunter (Mr. Charlton) spoke of the requirements of people in the country districts. I assure the honorable member that there are people in the city requiring telephones more urgently than do people in the country. If I were to describe the disabilities in connexion with the telephone service in Sydney, the honorable member would agree that, by comparison, the country is being very fairly dealt with. In anticipation of the opening of one automatic exchange, which is partly finished, one firm spent £900 three years ago in preparing its establishment for the new system, in accordance with the Department's request, but to-day that firm is without any telephone service at all. The automatic system is within two or three streets of the premises, and the firm is left entirely in the dark as to what future developments will be. I remind country members that the facilities given to city establishments greatly assist in the conduct of their business, and reduce the cost of handling the transactions of country districts. There is one firm in Sydney that has a turnover of from £1,000,000 to £1,750,000 per annum solely in dealings with country people, and it has frequently complained of telephonic disadvantages, which delay the conduct of business and cause a great deal of irritation to them and to their country clients. City representatives are prepared to do all that lies in their power to assist the country districts to get telephonic services, but their own districts are even worse victims of the present inadequate system than are the country districts.

Mr. HECTOR LAMOND (Illawarra) [3.45].—I am afraid that the officials of the Department are using this country-city cry a little more than is warranted in connexion with these applications. About a year ago I made application for an urgent suburban service, and received in reply a very pretty little essay dealing with the necessity for the extension of telephone services in country districts, and mentioning the conditions of the isolated farmers, settlers, and so on. Seeing there was no hope of getting the suburban service, I sent in an application on behalf of a poor, isolated, struggling farmer, and it met with the same fate. The other day I visited the locality and I found it one of the most intensely settled dairying dis-

tricts of New South Wales. The farmer who had applied for the telephone was living a little over two miles distant from the exchange. The report to the Department was to the effect that the installation of the telephone would be very expensive, as he was the only man in the locality; but if he liked to pay £162 he could have a private telephone. Failing that, the Department were unable to do anything for him. When I visited the locality I was astonished to find that this farmer was surrounded by other farmers and small settlers, all of whom could be connected with the telephone exchange at a very reasonable cost; so I am convinced that no examination on the spot was made in that case.

Mr. STEWART.—He could not have been such an isolated farmer, after all.

Mr. HECTOR LAMOND.—Lacking a telephone, he was isolated from other farmers and from his market just as if he had been living in that district alone. In his case the Department failed to live up to the sentiment contained in the little essay which they send to city representatives who support requests for connexions with the city exchanges. My constituency includes all sections of the community. In it are rural producers, suburbanites, and city people; everything except wheat-growing is carried on there, so I am interested in this question of an efficient telephone service for all classes of the community. We were told only yesterday by the Minister that all the money required for the purposes of the Postal Department was available. I think that statement had been made repeatedly in reply to honorable members' complaints, and yet I have, over the signature of the Postmaster-General himself, a letter which discloses an extraordinary attitude on the part of the Department towards the big industries of this country. There is, at Port Kembla, one of the biggest industries in Australia, the management of which have repeatedly asked for a direct line from the Kembla works to their city office. It is situated in a district that is continually complaining of the overloading of the main line; and it is admitted that the main line from Wollongong to Sydney is constantly overloaded, but it is stated that from want of materials the Department is unable to remedy that state of

affairs. This industry to which I refer is one of the greatest users, and, therefore, the construction of their private line would greatly relieve the public line. The management have offered to supply the wire for a direct telephone line to Sydney and pay the rent, which I think, amounts to £5 or £6 per week. The letter from the Postmaster-General contains a number of interesting conditions which have to be complied with before the service may be given, and after the hopes of the people interested have been raised in this way for a couple of pages we come to the concluding paragraph in the letter—

In the event of the Department's terms being accepted, it will not be possible to proceed with the erection of the line at present, as funds are not available therefor. Until this aspect of the matter is definitely settled, it cannot be stated when the work will be undertaken.

This intimation is made in the face of the statement that ample sums are provided for the purposes of the Department, and in the face of the fact that if this private company were allowed to construct the line it would relieve the Department of many of its difficulties in connexion with the main telephone line.

Mr. CONSIDINE (Barrier) [3.53].—I should like to know if the Postmaster-General (Mr. Wise) is prepared to make any statement in connexion with the extension of wireless telephony, which is being developed in other countries of the world? In Russia, where the people are supposed to be in such a disturbed condition, wireless telephony has reached such a stage that it is possible to carry on conversations over a distance of 3,000 miles, and I gather from information which I have that numerous power-stations are established throughout that country. In Australia, with a scattered population and long distances, wireless telephony would be a great boon to the people. I should, therefore, be glad if the Postmaster-General could indicate if his Department is keeping in touch with the advanced experiments that have been made in other parts of the world, and from which it is likely we would reap some important advantages.

Mr. WISE.—I have already spoken on the motion, and am debarred from speaking again.

Question resolved in the affirmative.

BRISBANE-SYDNEY TELEPHONE
TRUNK LINE.

Mr. WISE (Gippsland—Postmaster-General) [3.54].—I move—

That, in accordance with the provision of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed work:—Erection of a telephone trunk line between Brisbane and Sydney—which said work was referred to the Parliamentary Standing Committee on Public Works, and on which the Committee has duly reported to this House the result of its inquiries.

I was very much surprised when I found that there was no trunk line telephone communication between Sydney and Brisbane. I had the matter submitted to the Public Works Committee, which, after due consideration, expressed the opinion that a trunk line should be erected as proposed, and recommended accordingly. The report of the Committee states that the revenue to be derived from this trunk line is estimated at £2,250 for the first year, rising to £5,100 in the second year. In the first year it is estimated that there will be a loss of £601. That loss was first estimated at £970, but it was found possible to take the smaller amount owing to the fall in the price of copper wire. In reply to the honorable member for Barrier (Mr. Considine), I may say that I told him some time ago that the Government are establishing wireless communication between Camooweal and Powell's Creek, and canvassing the various stations with a view to the erection of wireless plant in order that there may be communication with the terminal stations, and so with the whole of Australia.

Mr. RILEY (South Sydney) [3.56].—The honorable member for Barrier (Mr. Considine) is anxious for a statement from the Postmaster-General (Mr. Wise) in regard to the establishment of wireless communication throughout Australia. What we have heard from the Postmaster-General is not very satisfactory as far as it goes.

Mr. WISE.—Some people think that everything can be done in twenty-four hours!

Mr. RILEY.—I understand that the expert or manager of one of the wireless companies in Sydney travelled on the same ship as the Prime Minister (Mr. Hughes) to England, and it would be interesting to know whether we may ex-

pect developments in this method of communication between two States, or throughout the States. If wireless is to be established throughout Australia in the near future, there will be no need for the proposed trunk line. I understand that the Prime Minister is very anxious that there should be general wireless communication throughout the Empire, and, if that be possible, it certainly should be easy to have wireless between one State and another.

Mr. MARR.—It is wireless telephony we require.

Mr. RILEY.—That method of communication could also be undertaken; and if developments of the kind are about to take place, I do not see why we should go to the expense of constructing a trunk line between Sydney and Brisbane. Have the Government any plans in this connexion, or are they simply waiting for "something to turn up"? I should say that wireless is the more effective and less expensive system.

Mr. WISE.—Wireless is by no means the more effective; it has a long way to go yet.

Mr. RILEY.—The telephonic communication at the present time is not very effective.

Mr. WISE.—I think the wireless would prove even less so just now.

Mr. RILEY.—Of course, I do not oppose the motion, because if it is not the intention of the Government to install wireless in the near future, it is only right that Sydney and Brisbane should be connected by telephone, in view of the fact that Brisbane is extending a little and the Queensland population increasing.

Mr. HIGGS (Capricornia) [4.0].—It is with some reluctance that I offer a little criticism on this proposal of the Postmaster-General (Mr. Wise). I feel that reluctance because I believe that the Department is a better paying proposition at the present time than it has ever been, and that the Postmaster-General is certainly endeavouring to meet the requirements of country districts. According to the evidence of Mr. H. B. Templeton, Deputy Postmaster-General, Queensland, before the Public Works Committee, that gentleman does not consider "there is any likelihood of a large increase of business as between Brisbane and Sydney, and intermediate towns"—as a result of the construction of the proposed line—"because the commercial transactions between

Brisbane and Sydney are nothing like those taking place between Sydney and Melbourne."

Mr. BAYLEY.—Mr. Templeton further stated that relatively the Brisbane-Sydney business would be as great as the Sydney-Melbourne business.

Mr. HIGGS.—I admit that Mr. Templeton's evidence does not appear to be altogether consistent. In reply to Senator Newland, Mr. Templeton said—

I consider the erection of a trunk line telephone between Brisbane and Sydney is desirable, and will be remunerative.

But he also said in reply to Mr. Mackay—

I do not wish this work to be postponed, but if I had to choose between providing an important service like the proposed Albion automatic exchange and this trunk line, I would stand by the Albion work as being the more urgent and the more important from a revenue point of view. It is a matter of comparison. This trunk line is most desirable if the funds to provide for it can be found without any interference with necessary urgent work.

Finally, he said before the Committee—

It is problematical whether the line will become payable. My experience is that more business is obtained on trunk lines between correlated centres than in the case of a trunk line such as this will be between two distinct centres.

I should like the Postmaster-General to consider whether he cannot expend public money in a more remunerative way than in the construction of a telephone line between Sydney and Brisbane. Where services can be established and become immediately payable, they ought to be established before the Department undertakes works such as that proposed, especially when we find the Public Works Committee estimating the loss on the first year at £601. I understand there are many Queensland proposals, telegraphic and telephonic communications that would pay immediately, and it is to these that attention should be devoted, and not to others, where success is problematical. It may seem strange for me to take up such an attitude; but the great work before us is the settlement of people on the land and in our country towns. We see huge cities like Sydney and Melbourne growing, while country towns are being depleted; and, after all, this trunk line will only tend to still more centralize business in Brisbane and Sydney to the further detriment of the inland centres. If there is any urgent business as between Brisbane and Sydney, it can now be done

by telegraph. Although the evidence given by the Deputy Postmaster-General, Brisbane, is not altogether consistent, that gentleman finally told the Public Works Committee that it is problematical whether the proposed line will ever pay.

Mr. PARKER MOLONEY.—All the evidence tendered to the Committee was to the effect that the undertaking would ultimately be a paying one.

Mr. HIGGS.—I shall not vote against the construction of the line, but I consider that if the Postmaster-General can find any business proposition which will pay better, he certainly ought to defer the construction of the proposed line for the present.

Mr. PARKER MOLONEY (Hume) [4.7].—I do not think that the honorable member for Capricornia (Mr. Higgs) can have read very much of the evidence taken by the Public Works Committee in regard to this particular matter. That evidence was overwhelmingly in favour of the construction of the proposed line. If the honorable member will take the trouble to carefully read the evidence, he will see that every witness called by the Committee was in favour of the erection of this particular line. The facts and figures which were submitted convincingly prove that the undertaking will prove a sound financial proposition from its very inception.

Mr. HIGGS.—Then how did the Committee come to report a probable loss of £601 upon the line during the first year?

Mr. PARKER MOLONEY.—If the honorable member will read that statement in conjunction with the other evidence which was tendered to the Committee, he will see that there is not much in it. But even if the work did not pay for the first year, the honorable member would scarcely condemn it upon that account, so long as it proved a sound financial proposition thereafter.

Mr. HECTOR LAMOND.—We should be ten years ahead of public requirements, instead of twenty-five years behind.

Mr. PARKER MOLONEY.—Undoubtedly. All the indications are that the line will be a paying one.

Mr. WISE.—And the evidence tendered to the Public Works Committee shows that it will not only serve the interests of city people, but will provide facilities for the residents of country districts.

Mr. PARKER MOLONEY.—The principal reason which should actuate us in approving of the line is that it will not merely provide facilities for the residents of two cities, but that it will confer material benefits upon people who reside between them.

Mr. GROOM.—It will link up communication with places as far north as Gympie.

Mr. PARKER MOLONEY.—In his evidence the Deputy Postmaster-General, Brisbane, stated—

There is no doubt that an arrangement could be made by which calls from Ipswich, Toowoomba, and other important centres along the line would take their turn in the circuit. Calls will be transmitted in the order in which they are lodged, no matter whether they be lodged here or at Toowoomba or Sydney. In addition to benefiting Brisbane, this trunk line will benefit country towns along the route.

That is why the proposal appeals to me so strongly. It will provide outback residents with facilities for communication, and thus enable them to enjoy some of the benefits of civilization of which they have been too long deprived.

Mr. CHARLTON (Hunter) [4.11].—I am not quite sure of the route which the proposed line will traverse, because the Minister, in submitting the motion, did not make that matter clear. But I recollect that the Leader of the Country party, when speaking in this chamber the other day, emphasized the necessity which exists for the construction of a line which would traverse the north coast of New South Wales.

Mr. WISE.—This particular line will go through Warwick and Wallangarra.

Mr. CHARLTON.—Why cannot we construct a line to Brisbane by the shortest route, one which will serve all the north coast district?

Mr. CAMERON.—This line is already built to Wallangarra.

Mr. GROOM.—It is quite possible that later on there may be a line traversing a route down the other way.

Mr. CHARLTON.—Only the other day the Leader of the Country party (Dr. Earle Page) was stressing the need which exists for a line to Brisbane through the north coast of New South Wales. I agree with him that the construction of such a line is a necessity.

Mr. JOWETT.—It is not the fault of the Country party that there is no such line.

Mr. CHARLTON.—I know that. I am speaking on behalf of the Leader of that party, who represents a

constituency adjacent to my own. Quite recently, too, I noticed in a newspaper published in Gloucester an article setting out how necessary it is that a railway along the route suggested by him should be built.

Mr. McDONALD.—Ultimately, we shall have to build a line to Brisbane through the north coast.

Mr. CHARLTON.—There is no doubt of that.

Mr. McDONALD.—Such a line would shorten the distance to be traversed by 100 miles.

Mr. CHARLTON.—Exactly. We should thus be practising true economy. What is the position of the north coast of New South Wales? It is only during the past nine or ten years that that district has come into prominence. For years the residents there struggled to obtain a railway, and eventually the Government of New South Wales decided to construct one. Since the construction of the north coast railway the district through which it passes has gone ahead by leaps and bounds. Settlement has greatly increased there, and many big estates have been cut up. That railway will eventually link Sydney with Brisbane, and the telephone line between the two cities might well follow it. The honorable member for Cowper advocated this before he entered the House, as he has done since, because he knows the justice of it, and I, who represent a portion of the district through which the line would pass, hold the same view about the matter. At present, the people of that district cannot get the telephone communication that they need.

Mr. GROOM.—But the line that is proposed is absolutely needed.

Mr. CHARLTON.—I do not say that a telephone line between Brisbane and Sydney is not needed. My argument is that it would be cheaper to take it along the route of the north coast railway, which will ultimately be the direct route to Queensland, because it is more than 100 miles shorter than the present route. I believe that it would be well to send back the proposal to the Works Committee for the investigation of this suggestion.

Mr. GREENE.—The direct line between Sydney and Brisbane would be of no use to the north coast districts, which must have a line of their own to Sydney.

Mr. CHARLTON.—Where would that line terminate?

Mr. GREENE.—Probably at Murwillumbah.

Mr. CHARLTON.—That would be an unsatisfactory arrangement, because there would not then be a direct communication with Queensland. A line going right through to Brisbane would serve for communication both north and south.

Mr. GREENE.—Intermediate stations could not cut into the through line. There must be a north coast line.

Mr. CHARLTON.—My contention is that if this line were taken through the north coast districts by the direct route to Brisbane, it would not be necessary to have a through line following the New England railway route.

Mr. GROOM.—The honorable member forgets the big towns along this route.

Mr. CHARLTON.—I do not; but the adoption of the route which I suggest would mean a saving in distance and a corresponding saving in cost, and would prevent the congestion of telephone business.

Mr. GROOM.—The honorable member is right in urging the construction of a north coast telephone line, though not to the exclusion of that now proposed.

Mr. CHARLTON.—This matter should have received more consideration. I do not take exception to expenditure which is absolutely necessary, because I believe in giving all the facilities for communication that can be given to the people in the country districts, and the necessary connexions between capitals should be made; but I still think that it would have been better to take this line along the more direct route to Brisbane. I hope that the Postmaster-General will give consideration to the suggestion that a line should be carried along that route.

Mr. WISE.—I shall do so.

Question resolved in the affirmative.

SYDNEY TO MELBOURNE TELEPHONE LINE.

Mr. WISE (Gippsland—Postmaster-General) [4.22].—I move—

That, in accordance with the provision of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed work:—Erection of an additional telephone trunk line between Sydney and Melbourne—which said work was referred to the Parliamentary Standing Committee on Public Works, and on which the Committee has duly reported to this House the result of its inquiries.

This is a work of the greatest urgency, the duplication of the existing telephone line being eagerly desired by the residents of both the cities concerned.

Mr. CHARLTON.—The Postmaster-General should give us more information than that.

Mr. WISE.—I concluded that honorable members, especially leading members of the Opposition, would have read the report of the Works Committee on the subject. The Committee points out that the proposed line would be utilized for both telephone and telegraph purposes, the interest on its capital cost being divided between the two services; and that it would pay from the beginning. The report says that the Committee, after carefully considering all the facts placed before it, was unanimously of the opinion that the line should be erected as early as possible.

Question resolved in the affirmative.

PERTH-EUCLA TELEGRAPH LINE.

Mr. WISE (Gippsland—Postmaster-General) [4.25].—I move—

That, in accordance with the provision of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed work:—Erection of additional telegraph line from Perth to Eucla, *via* the transcontinental railway route—which said work was referred to the Parliamentary Standing Committee on Public Works, and on which the Committee has duly reported to this House the result of its inquiries.

The report of the Public Works Committee on this matter has been before the House for a long time. It contains the following statements:—

The Committee took evidence in regard to this matter in Melbourne, and constituted a Sectional Committee to take further evidence in Western Australia.

In the course of the Committee's investigations, it was ascertained that this Perth to Eucla line really forms a section of the through Inter-State line between Perth and Adelaide, and that the existing lines are insufficient to dispose of telegraph business within a reasonable time. The actual number of telegraph messages carried daily during 1920 is stated to have been 3,216, and, as the indications are that this traffic is rapidly increasing, it is urged that necessity exists for the erection of a new line to deal with this traffic.

The coast line, which it is proposed to replace by the line now under consideration, is 1,006 miles in length, and was brought into use in the year 1878. It is an iron wire of a weight of 400 lbs. to the mile, and this fact and the fact that it is in close proximity to the coast leads to heavy leakage of current,

which has the effect of considerably slowing down the traffic. Inquiry was made as to the feasibility of re-erecting the existing line, but it was pointed out that to do this would cost approximately £85,295, as against £42,030 for the present proposal. It was further pointed out that, in case of breakdown, the existing line is difficult of access, and the result is that messages are often considerably delayed before repairs can be effected.

If approval be given to construct the line now proposed, it is intended to recover or abandon the material of the existing line between Israelite Bay and Eucla, and to recover 176 miles of wire, insulators, spindles, and brackets between Albany and Hopetoun.

Financial Aspect.—Estimating the cost of construction at £42,030, and allowing 10 per cent. to cover interest on capital, depreciation, and maintenance, it will be seen that the annual cost of this new line will be £4,203.

As against this, it is estimated that the saving on the cost of maintenance of the existing service will be £3,731, and that the estimated increased annual revenue will amount to £2,000, or a total amount of £5,731; so that the annual saving on this project will amount to £1,528.

It is pointed out that, in estimating the cost of construction of this line, the price of copper wire was taken at £180 per ton. Since that time the price of electrolytic copper has fallen, so that the wire will now cost approximately £130 10s. per ton. Consequently, the original estimated cost may now be reduced by perhaps £6,000.

While on this subject, the Committee desires to point out that prior to the war copper was obtained for departmental purposes at the current price of electrolytic copper, plus £17 per ton to cover manufacture and freight. Since that time a plant for the manufacture of copper wire has been established at Port Kembla, New South Wales, and the wire now costs the Department £57 10s. per ton more than the quoted price of electrolytic copper.

Inquiries were made by the Committee as to whether, in the case of lengthy telegraph lines of this nature, it would be possible for settlers along the route of the line to be allowed to make use of the line for the purpose of sending telephone messages, but it was stated in evidence that, as the line will be used for sending telegraph messages practically for the whole of the 24 hours of the day at fast speeds, the effect would be to create a buzzing noise, which would render it impossible to hear a telephone message. The Committee, however, thinks this question merits further consideration, and hopes the Department will devise some method of enabling facilities to be given to remote settlers to use the line for telephone purposes for a short period during the most convenient time of the day.

After a careful consideration of the facts, the Committee is of opinion that the erection of the proposed line is justified, and recommends that the work be put in hand as early as possible.

Mr. CHARLTON (Hunter) [4.29].—We have had a little more information from the Minister on this motion.

Mr. WISE.—I did not want to weary the House by reading reports which I presumed that every member had read.

Mr. CHARLTON.—My difficulty is to know exactly where we are going. I do not want to agree to anything that will plunge the country into expenditure, especially at this juncture, when the Treasurer is so economical. Many public works are standing still to-day because we have not the money for them. The question is whether the line is to traverse a satisfactory route. I read all the Committee reports that come before the House as far as possible, but during the last three months, when we have been dealing with the Tariff, I confess that I have not been able to keep in touch with them all. The Minister states that the present line has broken down, and that there is no communication at present between the two places. It will take £85,000 to repair the existing line, and the Committee recommend the construction of the new line for £42,000, which shows a big saving. The Public Works Committee have done good service, and are justifying their appointment. In this case they are saving the country a good deal of money. They report that the work is absolutely necessary, and that to patch up the existing service would cost practically twice as much as will be required for the new service. As members whose districts are traversed by the line have said nothing in opposition to it, I presume it is in the best interests of their constituents, and, therefore, I shall do nothing to prevent the recommendation of the Committee being given effect to.

Mr. RILEY (South Sydney) [4.32].—I take an entirely different view of the matter. It is the duty of the members of the Works Committee, while their report is before the House, to assist the Minister. I should like to hear from some of them who have heard the evidence on this matter. They should be here to back the Government up. The chairman of the Committee is a Western Australian, and, no doubt, would recommend that the work should be carried out.

Mr. BAMFORD.—You can expect a perfectly fair deal from the chairman of the Committee.

Mr. RILEY.—Has the honorable member, as a member of the Committee, anything to say in support of the report? I

shall sit down if the Postmaster-General will promise me one or two post-offices in my electorate. I get from him plenty of nice letters, but no bricks and mortar. On the whole, the Works Committee are to be commended for the great work they have done, and I hope some of them will be able to justify the reports they have submitted. I shall support the motion.

Mr. PARKER MOLONEY (Hume) [4.35].—The remarks made by the honorable member for South Sydney (Mr. Ryan) were offered in a jocular spirit, but when they appear in cold print they may be taken literally. As a member of the Public Works Committee, I therefore tell the House that we exhausted every channel of information, and had before us witnesses who had been all over the route. We were absolutely uninfluenced by State considerations, and were convinced that the line would pay. What is more, it will afford settlers between Eucla and the transcontinental line an opportunity to get in touch by telephone with doctors, business people, and friends, and will prove a very great boon to them. These people are living in absolute isolation, and I would afford them a facility of this kind even if I thought the line would not pay. Public convenience should take precedence over all questions of profit, so far as the services of the Postmaster-General's Department are concerned. I repeat, however, that the Committee exhausted every avenue of information on the subject, both at Adelaide and Perth, and was convinced that the line would not only afford great facilities to the people, but prove a payable proposition.

Mr. BRENNAN (Batman) [4.40].—I am a searcher for information rather than one who is seeking to impart information to the House.

Mr. HECTOR LAMOND.—This looks like a "stone wall."

Sir JOSEPH COOK.—If honorable members opposite will persist in discussing this motion, we will adjourn the debate. Time is up. It is for them to decide what shall be done.

Mr. BRENNAN.—I do not want to stand in the way of the passing of the motion.

Mr. LAIRD SMITH.—It will mean work for a number of the unemployed.

Mr. BRENNAN.—I have not had an opportunity to read the report of the Public Works Committee, which inquired into this proposed work, but I know that a substantial expenditure is involved.

Sir JOSEPH COOK.—It is quite apparent that honorable members opposite do not want to provide for public works. They join in deputations to the Government asking us to provide work, and when we bring down a motion which will give employment to a number of men, they proceed to block it.

Mr. BRENNAN.—Apparently, one no sooner rises to discuss a motion of this kind than motives are imputed. I have no desire to delay the passing of the motion, and, therefore, shall say no more.

Question resolved in the affirmative.

DEFENCE BUILDINGS, KELVIN GROVE, BRISBANE.

Consideration resumed from 19th July (*vide* page 10262), of motion by **Mr. GROOM**—

That, in accordance with the provision of the Commonwealth Public Works Committee Act 1913-1914, it is expedient to carry out the following proposed work:—Erection of Ordnance and other Defence buildings at Kelvin Grove, Brisbane, Queensland—which said work was referred to the Public Works Committee, and on which the Committee has duly reported to this House the result of its inquiries.

Question resolved in the affirmative.

COMMONWEALTH WOOLLEN CLOTH FACTORY.

Motion (by **Mr. GROOM**) proposed—

That the resolution of the House of the 29th October, 1920, referring the following works to the Parliamentary Standing Committee on Public Works for their report thereon, viz.:—Extension to buildings and equipment of the Commonwealth Woollen Cloth Factory at Geelong, Victoria—be rescinded.

Mr. PARKER MOLONEY (Hume) [4.44].—The Public Works Committee has already been notified of the intention of the Government to take this action, but no reason has been given for it. This is a serious departure from Government policy.

Mr. GROOM.—I will allow the matter to stand over.

Debate adjourned.

ADJOURNMENT.

MEMBERS' OFFICIAL ACCOMMODATION IN STATE CAPITALS.

Motion (by Sir JOSEPH COOK) proposed—

That the House do now adjourn.

Mr. HECTOR LAMOND (Illawarra) [4.45].—Before we adjourn, I desire to direct the attention of honorable members to a recent decision of the House Committee, which I believe was arrived at at a very small meeting of the Committee, and which interferes very considerably with the privileges of honorable members who do not reside in Melbourne. The matter should have been brought forward at an earlier stage, as many honorable members representing New South Wales, Queensland, and South Australia have left to catch their trains, and, consequently, are not able to express their opinions. For many years past, honorable members have had the privilege during the recess of using offices at the other capital cities in which to transact their official correspondence. The accommodation provided is somewhat similar to that available in Melbourne; but the House Committee, for some reason or other which has not been disclosed, has seen fit to say that those members who do their work in other cities shall be penalized, whilst those who reside in Melbourne can take advantage of the facilities provided in this building. It is a highly improper proceeding on the part of the Committee.

Mr. BURCHELL.—There is nothing phenomenal in that, as we have never had privileges such as you have had in Sydney.

Mr. HECTOR LAMOND.—Probably that is due to the fact that Western Australian members spend most of their time in Melbourne, and, therefore, do not require such accommodation. New South Wales members have to do their official work in the offices in Sydney.

Mr. BURCHELL.—One would think that the honorable member was the only one who worked.

Mr. BRENNAN.—I direct attention to the state of the House.

Mr. HECTOR LAMOND.—This is a very nice game, and I strongly object to the attitude of the honorable member for Batman (Mr. Brennan). I shall take another opportunity of discussing this matter.

Sir JOSEPH COOK.—I desire to say a few words before we adjourn. Is the honorable member for Batman prepared to withdraw his call?

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Do I understand that the call for a quorum is withdrawn.

Mr. BRENNAN.—No.

Sir JOSEPH COOK.—Then I shall take this opportunity of thanking you all for the assistance the Government have received.

A quorum not being present,

Mr. Deputy Speaker adjourned the House at 4.50 p.m.

Senate.

Tuesday, 26 July, 1921.

The **PRESIDENT** (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

SHALE OIL BOUNTY BILL.

Bill received from the House of Representatives, and, on motion by Senator **RUSSELL**, read a first time.

POST AND TELEGRAPH BILL.

SECOND READING.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.4].—I move—

That this Bill be now read a second time. Prior to Federation, the State authorities had control of both the Post Office and the railways, and consequently the cost of carrying the mails by train was only a book debit against the Post Office; but, when the States federated, the control of the Post Office became a Federal matter, while the State authorities continued to control the railways, and an arrangement was come to whereby the Commonwealth was to pay the States for the actual cost of the service they rendered to it in the carriage of mails. That arrangement continued for a number of years, the Commonwealth agreeing to several increases in the charges, which brought the

total cost up to £275,000 a year, and then, although the authorities were in agreement about the conditions under which the mails should be carried, they could not agree as to a fair price for the service. The matter was, therefore, referred to arbitration, and by a majority vote it was determined that the mails should be charged for at half the ordinary commercial parcel rates. Actually, however, that was equivalent to charging for them at the full parcel rates, because the transport of parcels devolves upon the railway staffs a good deal of clerical work, whereas there is no such work in connexion with the handling of the mails. That arrangement terminated with last year, and a mere makeshift arrangement obtains at the present moment. Section 18 of the Post and Telegraph Act 1901-1910, which provides for payment for the carriage of mails by rail, is to be amended by the Bill so that it shall read—

The Postmaster-General shall pay to the principal railway official of each State, or to the owner controller or manager of any railway or tramway in any State as the case may be such annual sum for rendering any service required in pursuance of the last preceding section as may be agreed upon and in default of agreement as may be settled by arbitration. Provided that no payment shall be made to any owner controller or manager of any private railway or tramway who in accordance with the law of a State has agreed to carry His Majesty's mails free of charge.

Under this Bill, no attempt is made to prevent an arrangement being arrived at, but rather are facilities offered to enable it to be brought about. Unfortunately, under the existing system there has been no clear-cut definition of the functions of the arbitrators, who have been at liberty to take almost anything as the basis of allotment. Generally, they have taken the parcels rates as that basis, and the alternative has been suggested of a per ton per mile rate. The practice has been to include in their calculation the whole of the goods trains running, irrespective of whether they carried mails or not. Upon the other hand, the Postal Department contends that it should pay for all mails carried a reasonable rate, which would suffice to cover all the costs incurred by the States.

Senator BAKHAP.—And is there not in the principal Act a section relating to arbitration proceedings?

Senator Russell.

Senator RUSSELL.—Yes; but there is not a correct definition of what should be the subject-matter of arbitration proceedings. This Bill will tend to make the position clearer.

Senator EARLE.—Evidently there is a difficulty in deciding what are really the services rendered.

Senator RUSSELL.—Let me point out what has been the practice under the existing system. Prior to Federation, it appears that the fixing of the amount debited to the Post Office by the Railways for the carriage of mails was upon a purely arbitrary basis. The fact that both concerns were under the same Government control did not render the question of equitable payment by the one Department for services rendered by the other Department one of any moment. Both services belonged to the States.

Senator PRATTEN.—If they robbed Peter, they paid Paul.

Senator RUSSELL.—In 1900, the railways in New South Wales were credited with £79,894 per annum for the conveyance of mails; in Victoria, they were credited with £57,834; in Queensland, with £50,000; in South Australia, with £18,181; in Western Australia, with £17,121; and in Tasmania with £10,981. The amounts of payment were not computed upon a uniform basis throughout the States. In New South Wales and Tasmania the payments were computed at so much per mile on lines upon which mail vans were provided, whilst upon other lines they were computed by weight. In Victoria and Western Australia the payments were based upon mileage, according to the number of trains run. In Queensland, a lump sum was paid; and in South Australia the payment was computed upon a per-mile basis, according to service. The total payments to the whole of the railways was £234,011 per annum. Between 1901 and 1907 the Railways pressed for increased payment for the carriage of mails, but their requests were not based upon any evidence of cost of service, and the Postal Department strongly resisted their demands. In 1907, however, as the result of a conference between the parties, it was agreed that the Post Office should make payment of a lump sum of £275,000 per annum for the conveyance of mails by railways.

The Railway authorities were empowered to devise a scale which would apportion this £275,000 between the States in about the proportion which each State had received of the original £234,000. The apportionment was upon a line-mileage basis. In 1908, an agreement was entered into for a period of eight years, under which payment was to be computed upon the scale to which I have referred. That agreement terminated in 1916. A conference was then held between the Railway authorities and the Postmaster-General, with a view to the drawing up of a fresh agreement. Agreement was reached upon practically all the points at issue, except the rate of payment. In regard to that the railways insisted that in any negotiations the amount then paid should be taken as a minimum basis. The Postal Department, however, contended that the then existing rate was excessive. Failing agreement, the matter was submitted to arbitration, under section 18 of the Post and Telegraph Act, and it was mutually agreed that the Inter-State Commission should act as arbitrator. The Department contended before the Commission that payment for the carriage of mails should be in relation to cost of service. The Commission, in a majority report, decided that the annual sum to be paid by the Postmaster-General to the principal railway official in each State should be 50 per cent. of the scheduled State railway rates for parcels, Intra and Inter State, in force on 1st January, 1917. The Commission classified mails as parcels. In other words, it was decided that the highest rate for the carriage of goods by the Railway Department should be adopted. The reason why 50 per cent. of the rate was fixed upon was that, in handling parcels, the railways were involved in services such as booking, &c., which did not apply to mails. This award was made binding for only one year. The principle upon which parcels rates were fixed was the ability of the consignor to pay, because the Railways Commissioners had a fixed parcels tariff which would enable the greatest revenue possible to be secured without diverting or discouraging traffic. The chairman of the Inter-State Commission, in a minority report, disagreed with this finding, contending that the payment to the railways should represent the amount

incurred in giving the services. Mr. Piddington concluded his finding as follows:—

(1) The State Governments would be acting in contravention of law if they taxed the mails by classifying them as commodities in their schedules of railway rates.

(2) That the Arbitrators ought not to do indirectly for the States what it would be illegal for the States to do directly.

(3) That it was contemplated by Parliament that the State Railways should perform with the Federal Post Office the joint service of mail carriage on the basis of being recouped for expense.

(4) That the only evidence before the Arbitrators by which they can evaluate the expense of carrying the mails is that of the ton-mile cost on all traffic, which must therefore be taken as a basis.

Senator BAKHAP.—What was the cost to the Commonwealth of the carriage of mails by rail that year upon the basis of that award?

Senator RUSSELL.—I cannot say off-hand. In order to determine the amount of payment to be made to the Railway Department in accordance with the award, the weights of mails consigned by rail were taken in March, 1918. Upon these weights, payment was computed at the rate of £184,296 per annum. The State railways were paid at this rate from 1st January, 1917, to 31st December, 1920, plus £7,500 per annum for the conveyance of second-class overseas mail matter. In October, 1920, the mails were again weighed. The weights taken, computed at half the parcels rates operating on 1st January, 1917, would involve payment at the rate of £230,683 per annum, an increase of £46,387 per annum.

Senator PRATTEN.—For what year?

Senator RUSSELL.—For the previous year. In 1920 the final adjustment was made.

Senator PRATTEN.—Did not the honorable gentleman tell us earlier that, at the inception of Federation in 1901, we were paying over £200,000 for the carriage of mails by rail?

Senator RUSSELL.—Yes.

Senator MILLEN.—The State Post Offices were paying that sum to the State railways.

Senator RUSSELL.—The railways declined to accept payment, as from 1st January, 1921, on the basis of the parcels rates operating on the 1st January, 1917, demanding that it should be computed on the parcels rates operating on 1st January last. If payment

were so made on the weighings of October, 1920, an amount of £352,956 per annum would be involved. The Postal Department would thus have to pay £168,660 per annum more than the amount determined under the award—an increase of, approximately, 91 per cent. That is a point that I desire to emphasize. If payments were made on the parcels rates operating on 1st January, 1921, instead of on the rates operating on 1st January, 1917, as provided for in the award, the increase would amount, approximately, to 91 per cent.

Senator CRAWFORD.—But it costs the States more to operate their railway systems than it did in 1917.

Senator RUSSELL.—We do not object to pay for the carriage of our mails on the basis of the actual cost of the services rendered. We do object, however, to the State railways making a profit out of us in this respect.

Senator PRATTEN.—What is the increase compared with the rate paid during the first year of Federation?

Senator RUSSELL.—The total payments made to the whole of the State Railway Departments in 1902 was £234,404 per annum, whereas they would now have us pay £352,956 per annum.

Senator E. D. MILLEN.—One of the claims made by the State Railway Departments is that payment should be made on the basis of 50 per cent. of the parcels rates prevailing to-day, instead of upon the basis of those which prevailed when the Commission gave its award.

Senator PRATTEN.—What does the Commonwealth Government claim it should pay?

Senator RUSSELL.—We make no claim. We simply propose to have the matter decided by arbitration. The point of difference between us is that whereas the States desire to charge us for this work as an ordinary commercial undertaking, and so to make a profit on the carriage of our mails just as they might do on the carriage of parcels for a Flinders-lane warehouseman, we say that payment should be on the basis of the cost of the services rendered.

Senator BENNY.—Can we compel them to accept that basis?

Senator RUSSELL.—We are advised that we have the power.

Senator JOHN D. MILLEN.—Would that cost include interest on railway construction expenditure?

Senator RUSSELL.—I take it that the arbitrators will deal with the matter according to equity and good conscience, and will take into consideration all costs that are properly chargeable.

Senator BAKHAP.—Interest on cost of railway construction should be taken into account.

Senator RUSSELL.—The cost of the services rendered will be determined by neither the Commonwealth nor the State Railway Department, but by the arbitrators to be mutually agreed upon under the Act.

Senator CRAWFORD.—But the Commonwealth, under this amending Bill, is determining the basis of arbitration.

Senator RUSSELL.—We are defining it. The intention of Parliament undoubtedly was that payment should be on the basis of the cost of services rendered.

Senator THOMAS.—Are the States agreeable to that basis?

Senator RUSSELL.—I do not know. Speaking quite plainly, their one desire seems to be to get as much as possible out of the Commonwealth.

Senator BENNY.—It should be possible to come to an arrangement.

Senator RUSSELL.—The parties have met, and have agreed on all points except the question of payment.

Senator WILSON.—Have all the States failed to come to an agreement with the Commonwealth, or are only one or two holding out?

Senator RUSSELL.—Speaking generally, there is no hope of an agreement being arrived at without recourse to arbitration.

Senator PRATTEN.—I suppose the States think that the Commonwealth is asking too much of the Railway Departments.

Senator RUSSELL.—The figures I have just given showing that the State Railway Departments are claiming an increase of 91 per cent. as compared with the payment made under the award shows that it is not the Commonwealth that is asking too much.

Senator CRAWFORD.—But the weight of mails has increased since then.

Senator E. D. MILLEN.—That point is met by us when we ask that payment shall be made on the basis of the cost of the services rendered. As the cost of transport of the mails increases, so our payment must increase.

Senator RUSSELL.—Quite so. The Bill now before the Senate does not determine what amount shall be paid; it merely provides that the arbitrators shall ascertain what is the cost of the services rendered, so that a reasonable payment may be made.

Senator VARDON.—But under this amending Bill the Government are proposing, to a certain extent, to tie the hands of the arbitrators.

Senator RUSSELL.—We are defining the basis. On the occasion of the previous arbitration a question arose as to whether payment should be made on the parcels rates or tonnage basis.

Senator PRATTEN.—If the honorable senator could give us a little information as to the attitude of the State railway authorities, it might be helpful.

Senator RUSSELL.—We have met them in conference and have tried to come to an agreement, but have failed. The Railways are making a claim that we consider to be too high, and we propose that the matter shall be finally determined by arbitration.

Senator PRATTEN.—Is there not power to refer the matter to arbitration under the principal Act?

Senator RUSSELL.—Yes; but the principal Act does not lay down any definite basis upon which the arbitrators are to proceed in determining the payment to be made.

Senator PRATTEN.—The words of the amending Bill are rather exacting.

Senator E. D. MILLEN.—Some one has to cut the knot.

Senator JOHN D. MILLEN.—The States should have confided in their representatives in the Senate—they should have told us what they want, but they have not done so.

Senator RUSSELL.—At all events, I think that no objection can be taken to our proposal that the matter shall be determined by arbitration. We are not taking to ourselves any despotic power.

Senator BAKHAP.—Would the Government consent to an amendment of the Bill making it clear that in estimating the cost of the services rendered the arbitrators shall take into account interest on the cost of railway construction?

Senator RUSSELL.—No. I take it that the arbitrator will have full power to allow any cost or charge which is considered fair. If I were acting in his position, I should allow the interest charge for the month, and take a general view of the railway tonnage on all transportation. All we are seeking is a fair method of arbitrating in order to settle the problem which is now holding up the Postal Department. I therefore ask the Senate to pass the Bill, so that we may reach finality.

Senator EARLE (Tasmania) [3.31].—If the Minister will agree, I shall move the adjournment of the debate for a week. Otherwise I shall have to oppose the Bill, for reasons which I shall state.

Senator RUSSELL.—I do not want to postpone the Bill too long. Will the honorable member move the adjournment of the debate?

Debate (on motion by Senator EARLE) adjourned.

Motion (by Senator RUSSELL) proposed—

That the resumption of the debate be made an Order of the Day for to-morrow.

Senator EARLE.—That is useless.

Senator E. D. MILLEN.—If honorable senators want a further adjournment then, they can have it. The Government will not be unreasonable.

Question resolved in the affirmative.

TARIFF BOARD BILL.

In Committee (Consideration resumed from 21st July, *vide* page 10394):

Clause 8—

(1) The chairman shall receive, in addition to his salary as an officer of the Public Service, an allowance which, together with his salary, shall not exceed Fourteen hundred pounds a year, and each of the other members shall receive an allowance of Five guineas per sitting.

(2) There shall be paid to each member, on account of his expenses in travelling to discharge the duties of his office, such sums as are considered reasonable by the Governor-General.

Senator BOLTON (Victoria) [3.33].—I move—

That the words, "an allowance of Five guineas per sitting" be left out, with a view

to insert in lieu thereof the words "a salary of Twelve hundred and fifty pounds a year."

I move this amendment, believing that, if the Board is to be created, it should be made as effective as possible. On a previous occasion I voiced my disapproval of Boards generally, but if there is any question upon which a Board may be justified it is the Tariff. Jocular reference has been made to the question of whether the Tariff before us is scientific or not. I submit, in view of the problems with which the Tariff is immediately and intimately bound up, that it would not be a great stretch of the imagination to say that the framing of a Tariff could almost be called an exact science.

Senator THOMAS.—Does the honorable senator mean the present Tariff?

Senator BOLTON.—No. I mean a desirable kind of Tariff. Honorable senators are at a great disadvantage in discussing the Tariff, and it is necessary, in order to do justice to the subject, for them to be in possession of all the information that can possibly be obtained about the hundreds of items that have to be considered. It is not to be expected that members of this or another place can make themselves familiar with all the facts relating to every item in the schedule. One of the most important duties of the proposed Board will be to acquire, about all these matters, facts from which members of Parliament can draw their own deductions. There are only two ways of doing this thing—the right way and the wrong way, and I am sure all honorable senators want to do it the right way. It has been argued that the appointment of two business gentlemen, to assist the Chairman of the Board would give greater confidence to the public. I do not know that that necessarily follows. I am credibly informed by those in a position to form an opinion, that a man may be an expert on hardware items in the Tariff schedule, but may not know anything about any other subject in it. Another business man may be an expert on groceries, but may know absolutely nothing about the many other items with which we shall have to deal. It, therefore, does not follow that we shall receive any advantage from the appointment of two business men to the Board. Rather it might be argued that if a permanent Board were appointed, consisting of three men who had been

accustomed to deal with Tariff questions in the Customs Department, there would be much more likelihood of the true facts being placed before honorable senators for their information. It has also been said that two business men, if appointed to the Board, would necessarily be more independent in framing their reports. I do not think that necessarily follows, either. It implies that three permanent officials on a Board under the control of the Minister would naturally be influenced by the Minister, and that the Minister's opinion would have some influence on their reports. I think the chances are the other way round. In all human probability, the average man acting as Minister would decide that three men who had devoted so much time and trouble to arriving at a certain conclusion must know a great deal more about the subject than he does, and I should say that, humanly speaking, the opinion of the Board would invariably receive the support of the Minister, except where matters of policy were concerned. A Board of three permanent officials would give greater confidence to the public, and would certainly furnish Parliament with better all-round information than would a Board consisting of one official and two business gentlemen. I have been simply flooded with correspondence from all kinds and classes of people and businesses, for or against duties in the Tariff schedule.

Senator THOMAS.—Since it passed another place?

Senator BOLTON.—Yes.

Senator THOMAS.—It shows that the Tariff is not yet quite "scientific"!

Senator BOLTON.—However, the result, so far as I am concerned, is that after wading through a great deal of the correspondence I find "confusion worse confounded"—I am worse off than before. I recognise, therefore, that it is necessary to have a Board which can put reliable information before Parliament in order to enable it to come to a decision in these matters. For that reason, I submit the amendment.

Senator THOMAS (New South Wales) [3.41].—I should like some further information as to what are the functions of this Board, and how these can be brought into action. I recognise that

clause 15, which deals with the reference of certain matters to the Board, is not now before the Committee; but the point I wish to raise has some bearing on clause 8. I wish to know, first, who may move the Minister. I take it that, at any time, if the Minister's own officials point out certain anomalies and advise that certain alterations ought to be made, he may at once refer a matter to the Board, and that it is open to him to take the same course on the application of manufacturers. But is it possible for the unfortunate and unhappy consumer to have the Board put into action in the same way? In New South Wales some time ago there was a Profiteering Board, and any citizen who thought he was being charged too much for certain articles could demand inquiry. Under this Bill, could an ordinary citizen and taxpayer move the Board in the same way? If an ordinary citizen have that power, it is quite possible that the Board will have a good deal of work to do in the twelve months; on the other hand, if the Minister is the only person who can refer questions, he may be quite satisfied with the "scientific" Tariff, and initiate no no inquiries.

Senator RUSSELL.—This is not a "scientific" way of discussing clause 8!

Senator THOMAS.—I point out that clause 8 deals with the remuneration of members of the Board, and that if any person may, in the way I have suggested, bring the Board into operation, there will be a great deal more work than if the Minister may please himself in the matter.

Senator VARDON.—The Board may, on its own initiative, inquire into anything it chooses.

Senator THOMAS.—Yes, the Board may.

The TEMPORARY CHAIRMAN (Senator Buzacott).—This has nothing to do with the question of the remuneration of the Board, which is now under consideration.

Senator THOMAS.—With all respect, sir, I beg to differ from you. I am asked to say whether the members of the Board shall receive £5 5s. a sitting or £1,250 per annum.

Senator RUSSELL.—Sub-clause 2 of clause 15 provides that the Minister may refer to the Board for their inquiry and report certain matters, including "any

other matter in any way affecting the encouragement of primary or secondary industries in relation to the Tariff."

Senator THOMAS.—Yes, the Minister may do that.

Senator RUSSELL.—Clause 15 provides that the Minister "shall" refer certain matters, and that he "may" refer other matters, including "any other matter" under sub-clause 2.

Senator VARDON.—The Board may deal with anything referred to it by a private citizen or anybody else.

Senator THOMAS.—But is the Board compelled to deal with any such matter?

Senator VARDON.—It may, if it choose.

Senator THOMAS.—Then it is optional with the Board, whereas in the case of the New South Wales Board any person may demand an inquiry.

The TEMPORARY CHAIRMAN.—I remind Senator Thomas that he is not discussing clause 8. The honorable senator may bring forward his present argument on clause 9.

Senator THOMAS.—By then the question of remuneration will have been settled.

The TEMPORARY CHAIRMAN.—Only the remuneration of the Board is under consideration.

Senator THOMAS.—Surely, if I am asked whether the remuneration of the Board is to be £5 5s. per sitting, or £1,250 a year, I am entitled to know what work the Board will have to do. The work to be done has some relation to the question of remuneration.

The TEMPORARY CHAIRMAN.—The honorable senator may make an indirect reference to clause 15, but must not deal with it particularly.

Senator THOMAS.—I have been speaking for not more than three or four minutes, and, seeing that I have been "pulled up" two or three times, I have not had time to make more than an "indirect reference" to clause 15. I wish to know to what extent a private citizen can bring the Board into action.

Senator PRATTEN (New South Wales) [3.49].—It will be remembered that when this clause was last before the Committee I desired to move an amendment, in reference to the salary of the chairman, to substitute £1,500 for £1,400, and that progress was reported just at that moment. I wish to know whether I must move that amendment before the amendment of Senator Bolton is decided, or

whether I shall be at liberty to do so afterwards.

The TEMPORARY CHAIRMAN.—The honorable senator will remember that I ruled him out of order when he submitted the amendment to which he alludes. The Presiding Officer is bound as much as any other senator by the Standing Orders, and in this case the standing order states very definitely that no amendment can be proposed to any words which the Senate has resolved shall be left standing. It will be remembered that Senator Earle, when this clause was last before the Committee, moved to strike out the words "which, together with his salary, shall not exceed £1,400 a year." The word that Senator Pratten desires to strike out is one of the words which the Senate has decided shall remain part of the clause, and, therefore, under the Standing Orders, the honorable senator's amendment cannot be received.

Senator PRATTEN.—I am sorry to disagree with your ruling—

The TEMPORARY CHAIRMAN.—The honorable senator cannot do so now. There is an amendment before the Chair, and the only way to get over this difficulty is for the honorable senator to move the recommittal of the clause later on.

Senator PRATTEN.—At the end of the Bill?

The TEMPORARY CHAIRMAN.—Yes.

Senator PRATTEN.—When the debate was adjourned I expressed my disagreement with your decision, which very rigidly confined the discussion to the latter portion of the clause. If you will allow the matter to be discussed after Senator Bolton's amendment has been disposed of, I shall be satisfied.

The TEMPORARY CHAIRMAN.—The standing order is very definite; the Committee cannot reconsider the first portion of the clause after the amendment before the Chair has been dealt with.

Senator PRATTEN.—This clause deals with the Chairman of the Board and his duties.

The TEMPORARY CHAIRMAN.—When I took the chair this afternoon I expected the honorable senator to dissent from my ruling; and, as he did not rise, I called on Senator Bolton, who rose to speak, and who has now submitted an amendment after the words which the honorable senator desires to amend.

Senator PRATTEN.—I am sorry that you did not see me rise when the clause was called from the Chair, and I trust, in the circumstances, you will allow me the latitude I desire.

The TEMPORARY CHAIRMAN.—I cannot allow the honorable senator to move in the direction he desires, as the standing order is definite.

Senator PRATTEN.—Then I dissent from your ruling, and shall move accordingly.

The TEMPORARY CHAIRMAN.—It is too late now to dissent from my ruling, as there is already an amendment before the Chair.

Senator PRATTEN.—Then I shall wait until Senator Bolton's amendment has been disposed of.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [3.52].—A private citizen may approach the Minister for Trade and Customs if he so desires, but the Government do not wish the Minister to be approached by all sorts of "cranks" who may have imaginary grievances. Any real complaint would be submitted to the Board.

The Government have given further consideration to the remuneration to be paid to the outside members of the Board, and as I intend moving an amendment in that connexion, I ask the Committee to reject Senator Bolton's amendment. The Government believe that if two business men are appointed to the Board it will have the confidence of the public, and in order to limit the annual cost I intend moving the following amendment at the end of the sub-clause:—

Provided that no member of the Board, other than the chairman, shall in any year receive an allowance exceeding £1,250 per annum.

Senator WILSON.—There is not much limitation about that.

Senator RUSSELL.—Honorable senators must remember that the first year will be an exceedingly busy one, and the Board will have to devote considerable time to the questions submitted to it for consideration.

Senator THOMAS.—If they are to earn that amount they will be working at least five days a week.

Senator RUSSELL.—Considering the heavy work to be performed, the salary is not excessive. As the proposed amendment fixes a definite amount, I ask the

Committee to reject the amendment submitted by Senator Bolton.

Senator PRATTEN.—I rise to order. Standing order 144 reads—

No amendment shall be proposed to any part of a Question after a later part has been amended.

My disagreement with your ruling, Mr. Temporary Chairman, in regard to the amendment I moved last week, should first be dealt with, otherwise, under the standing order I have quoted, it cannot be considered. This is the proper time to deal with the question of relevancy, and not after the amendment has been disposed of.

The TEMPORARY CHAIRMAN.—The proper time was before Senator Bolton had submitted his amendment, or immediately afterwards. I cannot allow the honorable senator to move an amendment to a portion of a clause which has already been passed.

Senator PRATTEN.—I desire to move—

That the word "Fourteen" be left out with a view to insert in lieu thereof the word "Fifteen."

The TEMPORARY CHAIRMAN.—There is an amendment before the Chair which must be dealt with before any other amendment can be taken.

Senator PRATTEN.—Could I move that amendment, provided it is in order, after Senator Bolton's amendment has been dealt with?

The TEMPORARY CHAIRMAN.—Not under the standing order. The honorable senator has lost his opportunity of moving that amendment, as the Committee has already decided that the words which he proposes to amend shall remain part of the clause. The honorable senator will have an opportunity, if he so desires, of moving that the Bill be recommitted for the reconsideration of clause 8.

Senator PRATTEN.—That is the point on which I wish to challenge your ruling. Surely I am entitled at this juncture, before any other amendments are moved, to submit my amendment.

The TEMPORARY CHAIRMAN.—Perhaps Senator Bolton will temporarily withdraw his amendment.

Senator BOLTON.—I am prepared to do that.

Amendment, by leave, withdrawn.

Senator PRATTEN (New South Wales) [3.59].—I move—

That the word "Fourteen" be left out with a view to insert in lieu thereof the word "Fifteen."

The TEMPORARY CHAIRMAN.—I have already ruled the honorable senator's amendment out of order, and if he objects, he must dissent from my ruling.

Senator PRATTEN.—I dissent from your ruling, Mr. Temporary Chairman, and now submit my objection in writing in the usual way.

In the Senate:

The TEMPORARY CHAIRMAN (Senator Buzacott).—During the consideration of the Tariff Board Bill in Committee on Thursday last, Senator Earle moved—

That the words "which, together with his salary, shall not exceed Fourteen hundred pounds a year" be left out.

That amendment was rejected. Later, Senator Pratten desired to move that the word "fourteen" be left out for the purpose of inserting the word "fifteen." I ruled the amendment out of order as a contravention of standing order 145, which provides—

No amendment shall be proposed to be made to any words which the Senate has resolved shall not be left out.

Senator Pratten has dissented from my ruling in the following terms.—

That the Chairman's ruling be disagreed with on the grounds that Senator Earle's amendment dealt only with the sum of £200, and that this was the only question before the Chair. Any other decision would unduly restrict the Senate when dealing with the clause as printed.

I submit the matter for your decision, Mr. President.

The PRESIDENT (Senator the Hon. T. Givens).—I must sustain the Acting Chairman's ruling. The question put to the Committee on Thursday last must have been, "That the words proposed to be left out be left out." The Senate, by negating that question, decided that the words should remain part of the clause. Therefore, it is not competent for the Committee to go back upon its previous decision.

Senator PRATTEN.—Will you allow me to speak on this matter before finality is reached?

The PRESIDENT.—It is within my discretion as to whether or not I allow any discussion on the point of order, and

I see no need for discussion if the Acting Chairman's statement of the question was correct.

Senator PRATTEN.—I submit that the Acting Chairman's statement was not correct, and the whole trouble has arisen through misapprehension on his part. *Hansard*, at page 10393, shows that Senator Earle's complete amendment on Thursday was—

“That the words ‘which, together with his salary, shall not exceed Fourteen hundred pounds a year’ be left out, with a view to inserting in lieu thereof the following words:—
‘of Two hundred pounds a year.’”

It will be obvious that the amendment was to leave out certain words with a view to inserting other words, and it was that double proposal which the Committee rejected.

The PRESIDENT.—That does not alter the position. The Committee decided that the words should remain, and they must remain.

Senator PRATTEN.—But here is the official report in *Hansard*.

The PRESIDENT.—That does not affect the point. If the honorable senator had desired the insertion of any words other than those proposed by Senator Earle it was open to him to move an amendment upon Senator Earle's amendment. He omitted to do so, and upon the question being put to the Committee “That the words proposed to be left out be left out,” the Committee decided that they should remain; therefore, those words must stand part of the clause unless the Senate agrees on motion at the report stage to recommit the clause. The Acting Chairman's ruling is in conformity with the invariable practice of the Senate. The procedure would be interminable if, it having been decided that certain words in the clause of a Bill should remain, honorable senators could thereafter get up, one after another, and move fresh amendments to those words. The position is clear. If the honorable senator desires to move as he has indicated, the course open to him will be, at the report stage, to move that the clause be recommit-
mitted.

Senator PRATTEN.—This is the most extraordinary thing I have ever heard of.

Senator E. D. MILLEN.—It is merely following consistently upon twenty years' practice.

The PRESIDENT.—I am setting forth the invariable practice of the Senate and the common-sense reading of the Standing Orders. Standing order 145 states—

No amendment shall be proposed to be made to any words which the Senate has resolved shall not be left out.

Senator PRATTEN.—But the purpose of Senator Earle's amendment was to insert something.

The PRESIDENT.—That has nothing to do with the question. The Committee came to a decision, and the question was put, “That the words proposed to be left out be so left out.”

Senator PRATTEN.—The Committee would not insert what was proposed to be inserted.

The PRESIDENT.—The position is perfectly clear, and it is of no use for the honorable senator to indulge in further argument. I uphold the ruling of the Acting Chairman.

In Committee:

Amendment (by Senator BOLTON) again proposed—

That the words “an allowance of Five guineas per sitting” be left out, with a view to insert in lieu thereof the words “a salary of Twelve hundred and fifty pounds a year.”

Senator CRAWFORD (Queensland) [4.13].—I strongly support the amendment, although I hold that, if it is agreed to in the form submitted, the Government will not be bound to appoint Customs officials as members of the Board. It will still be open for them, having appointed a Customs official as chairman, to select whomsoever they may consider best fitted to fill the remaining positions, regardless of whether the persons concerned are within or outside of the Service. I am stoutly opposed to payment by sittings and to the appointment of persons who are actively engaged in business. If such appointments were made, it would almost necessarily follow that the two non-official members of the Board would be Melbourne business men. It is my view, rightly or wrongly held, that there is already too much Melbourne influence in Commonwealth government and administration. Obviously, it would not be possible for business men in any of the other capital cities to accept appointment to the Board, since their responsibilities would entail constant visits to Melbourne to

attend sittings. Melbourne men would, in all probability, be given the positions, and the outcome would be that their own business interests would frequently clash with their duties as members of the Board. Very often, no doubt, their attendance would be required just at a time when their own business affairs were demanding close attention; and I fear that these members would frequently attend sittings of the Board merely to confirm whatever the chairman had already decided. I know of no Board created by the Commonwealth which will have had more important affairs to deal with. It will be necessary for its members to travel both to obtain the evidence of witnesses and to secure the evidence of their own observation. They will be called upon to examine the conditions under which industries are carried on in all the States before they may consider themselves qualified to make a fair and comprehensive recommendation. There are some industries which, although common to all the States, are not carried on in precisely the same fashion and under exactly the same conditions in each; while there are other industries which exist in only one or two of the States. Thus it will be necessary for the Board to cover the whole field of industrial activity, which will entail the concentration of all their time and energies. Seeing that the Government have inserted in the Bill specific reference to a salary not exceeding £1,250—

Senator E. D. MILLEN.—The proposal is there really with a desire to gather honorable senators' views. The sum mentioned has been included really to provide a *via media*.

Senator CRAWFORD.—The Minister's interjection provides a telling argument for the acceptance of the amendment, since it indicates the possibility of the Board having to sit on nearly every business day of the year. I am convinced that a mistake will be made if the Committee retains the principle of payment per sitting.

Senator THOMAS (New South Wales) [4.18].—The objection which I raised has not been met. The Government have indicated willingness to accept an amendment to the effect that the members of the Board shall not receive more than £1,250 per annum. My objection to the Board is not a merely monetary one. In my view, it will be an altogether useless body, and

I shall not hesitate to vote for the rejection of the Bill at the third-reading stage. But, if the Board is appointed, it will be far better to pay fixed salaries than a sum for each sitting. Senator CRAWFORD has put the case well. It may be taken almost for granted that the two non-official members will be selected from among Melbourne's business men.

Senator CRAWFORD.—The adoption of the amendment would widen the field of selection.

Senator THOMAS.—Yes. I do not think the right type of man could be obtained for £1,250 a year. A business man of ripe experience would not devote the whole of his time to this work for that remuneration.

Senator CRAWFORD.—It has been suggested that the Government might secure the services of retired business men.

Senator THOMAS.—Yes; men who are satisfied with what they have already made in business.

Senator WILSON.—Why give such jobs to men who do not require them?

Senator THOMAS.—We need the best men.

Senator WILSON.—Derelicts are not the best men.

Senator THOMAS.—I have in mind a man who is not a derelict, the Honorable George Swinburne. He is one of the leading business men of Australia.

Senator WILSON.—I would not call him a retired man; he is a very active man.

Senator THOMAS.—Yes; but he retired from business to become an Inter-State Commissioner, not for the sake of the salary, but because he thought he would be of service to the community. As I have said, I am entirely opposed to the appointment of this Board; but if it is to be appointed, I think it will be better to pay its members fixed salaries than to pay so much a sitting.

Senator BOLTON (Victoria) [4.23].—The Minister has told us that the proposal to appoint to the Board two business men, who would be remunerated with a fee of £5 5s. a sitting, was put forward by the Government as likely to give the public confidence in the Board; but I do not think that it would have that effect. He said that if the Board were constituted of permanent officers the public would regard it as a bureaucratic affair, the mysteries and secrets of whose administration could not be penetrated. I do not think that the public regard the

branches of the Government Service in that way. On the contrary, they consider that they get good service from the Government officials. If the Board is to give the results expected of it, its members must devote the whole of their time to the business, and be responsible to the Government for the proper performance of their duty.

Senator RUSSELL.—I did not say anything against the Public Service; I said that there would be a prejudice on the part of the public against a Board all of whose members were departmental officials.

Senator BOLTON.—It may be found, after a few years, that the members of the Board have become so expert that, like the Board of Trade in England, they may be intrusted with many responsible duties, and the Board may thus become a very valuable institution. I hope that the amendment will be carried.

Senator DUNCAN (New South Wales) [4.25].—I am in favour of paying a fixed salary to the members of the proposed Board. The Minister has interjected that one of the chief reasons for constituting the Board in the manner proposed in the Bill is that the public may have more confidence in it than it would have in a purely departmental Board. But the Board is to be created chiefly for the protection of the public against protected manufacturers who seek to charge unreasonable prices for their goods. Thus the class from which the public need protection is the business community, and yet it is from the business community that the Government proposes to select two members of the Board.

Senator E. D. MILLEN.—There are many matters on which the Board will advise the Minister. That part of its duties will be quite distinct from the obligation of protecting the public from the exploitation of protected manufacturers.

Senator DUNCAN.—The reason for the appointment of the Board is largely the need of protecting the public against local manufacturers.

Senator THOMAS.—The Government is at last beginning to think of the poor consumer.

Senator DUNCAN.—Quite so. That is the only reason that would actuate me in voting for the appointment of a Board. But if the consumer is to be protected,

two members of the Board should not be chosen from those from whom the consumers need protection. It would be better to have a purely departmental Board, men possessed of ability and knowledge, such as many of the officers of the Department have. Such men would have no interest in business affairs or organizations. But a business man who was a member of the Board might be affected, if not directly by some matter under consideration, at least indirectly, in that his friends and business associates, those on whom he might be depending to bring some business deal to a successful conclusion, might be affected.

Senator WILSON.—Where would you get any man who would not be affected by such influences?

Senator DUNCAN.—The departmental officer, who had had years of training, could give the public the protection that it needs, and the public would have confidence in a Board constituted of public officials. I think that the fixing of annual salaries for members of the Board would lead to greater efficiency than the payment of the members at so much a sitting, which might mean a great deal in the course of a year, or very little. The payment of salaries would permit of the appointment of permanent officials to the Board who could devote the whole of their time and abilities to the service of the public, without regard to particular interests.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [4.31].—When I interjected during the speech of Senator Thomas that the Government proposals were contained in the Bill, but that a suggestion had been made as indicating a *via media*, he tried to make it appear that the Government believed in the Bill, but that if it did not suit it would be made to meet the wishes of honorable senators. Now, the matter under discussion is not one of principle. The principle of the Bill is the establishment of a Tariff Board; the *personnel* and payment of the members of the proposed Board are matters of detail, to be considered in Committee, when Ministers and other senators should work together to arrive at a reasonable arrangement. The Government believes that a Board constituted as proposed in the Bill gives the greatest promise of success; but there are senators who do not hold that view.

The matter, however, is not one whose discussion should occupy many hours. I indorse what has been said about the ability of public officials; but were the proposed Board constituted entirely of officials, the public would believe it to be under the control and influence of the Minister, and thus it would not command the respect which we desire for it. There are, of course, very few propositions which are without their reverse side, and there may be weaknesses in this proposal; but I ask honorable senators, instead of concentrating their gaze on these weaknesses, to carefully balance the pros and the cons. It has been objected that, under the Government proposal, the unofficial members of the Board will probably be selected in Melbourne, and Senator Thomas drew some comfort in this matter from the hope that Parliament might remove to Canberra.

Senator CRAWFORD.—If we were meeting in Canberra the unofficial members of the Board would probably be selected in Sydney.

Senator E. D. MILLEN.—Or in Brisbane, perhaps. Let me give the argument against the alternative proposal. Laud public servants as you will, it is an accepted saying outside that they are bound by red-tape, and echo the Ministerial policy. Whether that be true or not, the fact that that belief is entertained of public servants would largely destroy the value of a purely departmental Board. Of late years the cry has been, "Why not take advantage of the brains of the community; why employ only the services of paid and hide-bound officials?" The Government has sought to establish a nexus between the proposed Board and the Department by placing at the head of it an official who would know where to lay his hands on all the information needed, and would understand the departmental routine, and, in addition to him, there would be on the Board two capable men, not in the Public Service, well versed in business, and having a general knowledge of trade matters throughout Australia. Honorable senators have, therefore, to make up their minds whether the advantages of one Board with its disadvantages would outweigh the benefits that would accrue from the creation of the other Board. The Government put forward their proposal believing that a Board constituted in the

manner provided for in the Bill, will do the most effective work and will command the largest degree of public confidence. I urge honorable senators to devote some thought to the view which I have endeavoured to express, and to help us to arrive at a decision upon the matter.

Senator THOMAS.—Will the Minister be good enough to set out the advantages of creating a Board two of whose members will receive fees at the rate of £5 5s. per sitting, as against the advantages of constituting a Board two of whose members will receive a stipulated salary?

Senator E. D. MILLEN.—A certain line of criticism which was indulged in here by honorable senators appeared to indicate that their desire was to prevent too many fees of £5 5s. accumulating throughout the year. In the hope of meeting that objection, it was suggested that two of the members of the proposed Board should be paid a maximum sum. But I understand that Senator Thomas is not out on the economy "stunt" just now, and that the matter of the cost of the proposed Board is not being considered. In that case the suggestion made by the Vice-President of the Executive Council (Senator Russell) will fall to the ground. It was simply made with the object of preventing an unlimited expense being incurred.

Senator THOMAS.—But a Board may be appointed which is not composed entirely of officials if its members are paid a salary of £1,250 per annum instead of being granted fees at the rate of £5 5s. per sitting.

Senator E. D. MILLEN.—If the Board is to consist of the same *personnel*, and if the question under discussion is merely the amount which we are going to pay, I suggest that whether we pay so much per sitting up to a maximum amount, or whether we pay a fixed salary to its members, is merely the difference between Tweedledum and Tweedledee. There are two lines of thought supporting the amendment. Senator Bolton evidently wants an official Board.

Senator BOLTON.—Not necessarily a Board consisting entirely of officers of the Customs Department.

Senator E. D. MILLEN.—But its members would become officials if their whole time had to be devoted to the duties of the Board. I understand, however, that Senator Thomas does not take that view.

Senator THOMAS.—I do.

Senator E. D. MILLEN.—Then I misunderstood the honorable senator. If the question of expenditure be not involved—

Senator WILSON.—It is involved very much.

Senator E. D. MILLEN. — Then we have two groups supporting the amendment for totally different reasons. I have been dealing with the question of whether the Board should be composed of permanent officials who shall be paid an annual salary, or whether it shall be created by the appointment of gentlemen who, like directors, will attend its meetings and draw their fees for so doing.

Senator CRAWFORD. — Like directors, they may draw their fees for rendering very little service at times.

Senator E. D. MILLEN.—The point which I have stressed is whether a Board consisting of paid officials would be as effective as a Board constituted of independent persons who would not be so susceptible to Ministerial influence.

Senator WILSON.—We have had the statement from the Vice-President of the Executive Council that the Board will be required to meet only once a week.

Senator E. D. MILLEN.—If its members are permanent officers, irrespective of whether they devote five hours or fifty hours weekly to their duties, they will be equally tied up. But with a Board constituted as the Government propose, if it were found that very few meetings were necessary, very few fees would be paid to its members.

Senator BOLTON.—Why have the Board?

Senator E. D. MILLEN.—That question has been already answered by the vote of the Senate. Even to those honorable senators who are out for economy, the Government proposal is the safer one. Under it, if there be much work for the Board to do, its members will be paid for that work. But if the Committee is of opinion that a limit should be imposed upon the amount to be paid in fees to two of the members of the Board, there is no objection to that limit being specified. Upon the other hand, should it be found as the result of experience that members of the Board have to devote the whole of their time to the discharge of their duties, permanent appointments could then be made. The principle involved in the clause is not a vital one

to the Bill, and I suggest that too much time should not be consumed in discussing it.

Senator DRAKE-BROCKMAN (Western Australia) [4.40].—I regret that I cannot support the amendment of Senator Bolton. Under other provisions of the Bill quite a number of duties are prescribed as having to be discharged by the Board. I do not know whether those duties were put in as a sop to the gentlemen who wish to deal with the profiteer or whether they merely represent political "eye-wash." But I am quite sure that the law officers who advised the Government upon this measure are well aware that many of the functions allocated to the Board cannot be performed by it, because they are entirely *ultra vires* of the Constitution, and have been so held by the Privy Council. I shall deal more fully with the clauses in which they are enumerated when we come to them. But because the facts are as I have stated, this Board will not have anything like one-third of the work which honorable senators think it will. Of that I am convinced. A good deal more than two-thirds of the work which its members would have to perform if the Bill were effective cannot be undertaken if the measure proves to be defective from a constitutional stand-point. Consequently, I am of opinion that a salary of £1,250 per annum paid to permanent officials will be far more than adequate for the services which they will render. Payment for the actual work performed from time to time, at the rate of £5 5s. per sitting, would prove a much more satisfactory arrangement than would that proposed by Senator Bolton.

Senator DUNCAN.—But if the functions of the Board which the honorable senator thinks are *ultra vires* of the Constitution should prove otherwise, its members will have plenty to do.

Senator DRAKE-BROCKMAN. — In that case the Board will be fully occupied. But if those functions are held to be *ultra vires* of the Constitution, the Board will not be fully occupied. For that reason I oppose the amendment.

Senator PAYNE (Tasmania) [4.45].—I desire to discuss the amendment from the stand-point of economy and efficiency. I listened very carefully to the arguments advanced in favour of the amendment from the point of view of efficiency, and I am not convinced that those arguments

were sound ones. I believe that we should get more efficiency from a Board constituted in the manner proposed by the Bill than we should from a Board created upon the lines laid down in the amendment. I am strongly opposed to the suggestion that the Board should be purely a departmental Board. At the same time, there is very little ground for the suggestion that if the clause be carried in its present form, two Melbourne gentlemen may be appointed to act with the chairman, and that that circumstance would prove prejudicial to the efficiency of the Board. I hold no such opinion. I hold no brief for Melbourne; but it is quite possible that this city is able to supply two of the best men who could be selected for the positions. From the point of view of economy, too, I am obliged to oppose the amendment, because I am sure that under its operation the work of the Board would prove much more costly than it would under the clause in its present form. I do not anticipate that the Board will sit every day in the year or even half that time.

Senator BOLTON.—Then it will not be of much use.

Senator PAYNE.—I think so. Surely it is not suggested that to deal with the matters provided for in the Bill the Board will have to sit every day in the year!

Senator DRAKE-BROCKMAN.—It cannot deal with more than one-third of those matters.

Senator PAYNE.—The honorable senator will be able to give an explanation of his contention in that respect later on.

Senator DRAKE-BROCKMAN.—The more I look into the matter the more futile does the whole Bill become.

Senator PAYNE.—I very much regret that I cannot support Senator Bolton's amendment, because I know that he desires to make the proposed Board as effective as possible.

Senator PRATTEN (New South Wales) [4.48].—If the Committee rejects Senator Bolton's amendment, under a ruling which has previously been given we shall not subsequently be able to alter the amounts proposed to be paid to two of the members of the Board.

Senator E. D. MILLEN.—We shall not be able to substitute £4 4s. for £5 5s. per sitting.

Senator PRATTEN.—Quite so. We shall not then be able to move any further amendments in respect of those fees. In

other words, if the amendment be rejected, the allowance of £5 5s. per sitting to two of the members of the Board will have been definitely determined.

Senator E. D. MILLEN.—But honorable senators may reject the whole clause.

Senator DRAKE-BROCKMAN.—And Senator Pratten may move an amendment upon Senator Bolton's amendment.

Senator PRATTEN.—I know that Senator Wilson has an amendment to submit in relation to the total sum to be paid by way of fees.

The CHAIRMAN (Senator Bakhap).—I would point out to Senator Pratten that the Committee cannot discuss his amendment to this clause, inasmuch as we are now considering later amendments.

Senator PRATTEN.—So far the Committee has dealt only with the clause down to the word "year."

The CHAIRMAN.—We are now considering an amendment which relates wholly to the proposed allowance of £5 5s. per sitting to each of two of the members of the Board. Consequently, the honorable senator cannot move the amendment, a copy of which he has handed to me, unless the amendment of Senator Bolton be temporarily withdrawn.

Senator PRATTEN.—I am so appreciative of the courtesy which was extended to me a little time ago by Senator Bolton that I bow to your ruling, sir, and will take the opportunity of doing what I desire to do later on.

Senator CRAWFORD (Queensland) [4.51].—I sincerely hope that honorable senators will give earnest consideration to Senator Bolton's amendment before they proceed to a vote upon it. If the clause be passed as it stands, the Board will be regarded as a Tribunal consisting of the chairman alone. If two business men are to be appointed to the Board, and are to be asked to attend only occasional meetings, for which they will be paid £5 5s. a sitting, they will not be able to give to the very important matters which it will have to consider the close attention that might be reasonably expected of them. In order to save a few hundred pounds a year it is proposed to set up a Board under conditions which will lead to its failing largely to achieve the object for which it is being constituted. I am not prepared to set my opinion on legal questions against that of Senator Drake-Brockman, but it seems to me that the

subsequent clause to which he referred provides chiefly for inquiry and advice. I know of no constitutional difficulties in the way of a Commonwealth Tribunal making inquiry into any matter of public interest. There is, of course, a limitation as to the evidence which a witness may be compelled to give, but the members of the Board may inform themselves in many ways, apart from the taking of direct evidence. In many cases the whole of the evidence may be given quite voluntarily. I am aware that there is a constitutional difficulty in the way of compelling a witness to give certain evidence, but it does not necessarily follow that, because of that, a Board of this character must fail. I do not agree with the Minister (Senator Russell) that this Board, if constituted as proposed in the amendment, would be regarded by the public as a purely departmental Tribunal, and that they would not have in it the confidence they would repose in a Board constituted as proposed in the clause as it stands.

Senator RUSSELL.—Supposing we had a senior officer of the Customs Department as chairman, and two junior officers of the Department as members of the Board, does not the honorable senator think that those two junior officers would largely follow the views of the "boss"?

Senator CRAWFORD.—I do not think the Government would make any such foolish appointments. The field of selection is so wide that I do not think they would select two junior Customs officers for appointment as members of the Board. May I ask the honorable senator how many junior officers of the Department of Trade and Customs are in receipt of a salary of £1,250 per year? Such a salary would be regarded as being among the plums of the Service, so that if the Government desired to make appointments from within the Public Service of the Commonwealth they would be able to draw upon all Departments.

Senator E. D. MILLEN.—Or go outside the Public Service altogether.

Senator CRAWFORD.—Quite so. For such a salary, they would be able to obtain two very capable men from outside the Commonwealth Public Service. If men who are actively engaged in business are to be appointed to these two positions, their duties as members of the Board will so clash with their business

that they will be performed in a very perfunctory manner, and the chairman, having far more information than either of them on the subject under consideration, will dominate them to a greater extent than he would dominate even two junior officers of his Department.

Senator BOLTON.—He would do the work, and they would draw £5 5s. per sitting.

Senator CRAWFORD.—That is so. Parliament and the public would soon discover this, and have very little confidence in the Board's recommendations.

Question—That the words proposed to be left out be left out (Senator Bolton's amendment)—put. The Committee divided.

| | | | |
|----------|----|----|----|
| Ayes | .. | .. | 6 |
| Noes | .. | .. | 19 |
| Majority | .. | .. | 13 |

AYES.

| | |
|-----------------|---------------|
| Bolton, W. J. | Thomas, J. |
| Buzacott, R. | |
| Crawford, T. W. | Teller: |
| Senior, W. | Duncan, W. L. |

NOES.

| | |
|-----------------------|-----------------|
| Benny, B. | Payne, H. J. M. |
| Drake-Brockman, H. A. | Pearce, G. F. |
| Earle, J. | Plain, W. |
| Elliott, H. E. | Pratten, H. E. |
| Fairbairn, G. | Reid, M. |
| Givens, T. | Russell, E. J. |
| Glasgow, Sir Thomas | Vardon, E. C. |
| Henderson, G. | Wilson, E. V. |
| Millen, E. D. | Teller: |
| Millen, John D. | de Largie, H. |

Question so resolved in the negative.

Amendment negatived.

Senator WILSON (South Australia)

[5.1].—I move—

That the following new sub-clause be added:—

(3) The total amount chargeable and payable out of the Consolidated Revenue Fund for the establishment and maintenance of the Board, including the salary of the chairman and the fees to members, shall not during any financial year exceed Three thousand pounds.

The debate on this clause has been rather comprehensive, and I cannot get away from the view expressed by the Minister who was in charge of the Bill in another place, and also by the Minister (Senator Russell) in his second-reading speech, that it may be necessary for the members of the Board to meet only once or twice a week.

Senator E. D. MILLEN.—Does the honorable senator propose that the sum of

£3,000 shall be allotted only to the payment of the members of the Board?

Senator WILSON.—No, it is to include salaries and all expenses. With many other honorable senators I am anxious that we should curtail the growth of Commonwealth Departments. I remind the Committee that this Board is to be of a purely advisory character. It is not to have any administrative duties; it is merely to advise the Minister. Much has been said about the desirableness of keeping politics out of this proposal, and of refraining from appointing public servants as members of the Board, yet it is the politician who is to determine what action shall be taken concerning every matter on which the Board has made inquiry and has reported. The report of the Board in every case is to proceed through the medium of the Minister to the Parliament, which is to have the final determination of the matter. Yet some honorable senators are anxious under this Bill to build up another Department which will be a huge expense to the taxpayers. Many honorable senators have said that they are prepared to accept their share of the responsibility of making inquiries and discharging duties of a purely advisory character such as would fall to the lot of this Board. The Minister has stated that the Board will sit only when required, but clause 17 provides that it shall have the right to sit when it likes. In due course, I think the Committee will have something to say in favour of the Board being allowed to sit only when directed by the Minister so to do, in order that it may be directly answerable to Parliament, and that Parliament may keep control of expenditure in matters of this sort. Viewing the Board as an advisory one, it is the duty of honorable senators at this juncture to curtail and keep control of the expenditures of the Departments, and until we do this we shall not have fulfilled the functions for which we are sent here.

Senator BENNY (South Australia) [5.6].—I intend to support the amendment. We are justified in going almost to any length to prevent the reckless extravagance of which the Government are guilty in connexion with this measure. There is no doubt that the Board is only an advisory body. All it has to do is to take evidence, and report to the Minister,

yet the Government are forming it on *de luxe* lines—lines of luxurious extravagance. As Senator Payne suggests, it is to be a very luxurious Board. When the time arrives, I intend to move for the recommitment of clause 5, so that we may constitute the Board of members of Parliament, who will do the work for their £1,000 a year, as they are quite willing to do. We know that there are members of this Parliament who are willing to sit and exercise the functions of the proposed Board.

Senator HENDERSON.—If the other two members of the Board were lawyers, do you think £3,000 a year would satisfy them?

Senator BENNY.—Lawyers are the most generous of people. If there is one section of the community who have to do more work for nothing than the legal profession, I do not know of it. Pending the amendment of clause 5 on recommitment in the way I suggest, the next best step to solve the difficulty created by the extravagance of the Government in proposing an expensive Board is to carry Senator Wilson's amendment. I hope that, if carried, it will be some curb on the extravagance of the Government, and that later I shall have the support of the Senate in the recommitment of clause 5, so that we may put the Board on a still better footing.

Senator DRAKE-BROCKMAN (Western Australia) [5.10].—I intend also to support the amendment, although I am not sure that Senator Wilson has been quite liberal enough. He might have gone a little further. I am not like Senator Benny in this regard, because I do not desire to "curb the extravagance of the Government," since I believe the desire of the Government in these days is to be very economical. What I wish to do is to curb the possible extravagance of the Board itself, because clause 17 provides that the Board may meet when and as often as it likes. We shall be very wise to clip its wings in advance by limiting under this Bill, the amount that may be expended on it. The reasons I gave when dealing with Senator Bolton's amendment are most applicable to this case. I then pointed out the constitutional limitations on the activities of the Board, which will very much reduce the amount of work that will be actually done by it. It certainly will not be able to do as much as

was evidently contemplated by the Government when they brought this proposal to Parliament. Consequently, I incline to the opinion that probably £3,000 will be somewhere in the vicinity of what is required.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.12].—I remember hearing it alleged that there were more ways of killing a dog than by choking him with butter. Some honorable senators seem to be looking around for other ways of killing a Bill which they do not like, in any circumstances. Those who are now putting forward these proposals, seeking to "clip wings," and "apply curbs," are the avowed opponents of the Bill itself.

Senator BENNY.—No; I am not opposed to the Board if it is a parliamentary Board.

Senator E. D. MILLEN.—The honorable senator is objecting to the Bill, and therefore is doing what, if I were in his place and opposed to the Bill, I should probably do also—that is, seeking to kill the Bill by any means. I take no exception to that, but I want to point it out. I address the remarks I have now to make to those who believe in the Bill.

Senator PAYNE.—That is out of order.

Senator E. D. MILLEN.—I can surely select those to whom I wish to address my remarks?

Senator WILSON.—I admire your discretion, because I do not think you will convert any of the opponents of the Bill.

Senator E. D. MILLEN.—Looking at the honorable senator, I do not expect to do so. His proposal is to limit the expenditure of the Board to £3,000 a year. Following that, Senator Benny, who is also from South Australia, spoke of the Board as being constituted on a luxurious basis. I have heard honorable senators declare to-day that £5 5s. a sitting is not enough, and that we shall not get the right stamp of men for it. If that is true, this is not luxury, but parsimony.

Senator WILSON.—How many members of the Senate have received £5 5s. a day for sitting on a Board?

Senator E. D. MILLEN.—Probably some are not worth it. The Committee has approved of the payment of £5 5s. per sitting to two members of the Board. Although it is not possible to say whether the work will require their attendance

one or three days a week, I ask the Committee to consider the extreme possibility of there being three meetings a week. That is £15 15s. per week per member, or £1,800 a year for the two, which, plus the £1,400 agreed to by the Committee for the chairman, will make a total of £3,200 for the year. Therefore, if the amendment is adopted, the Board will be bankrupt before it starts.

Senator WILSON.—The Minister's statement in opening the debate was one meeting a week. You have gone up to three.

Senator E. D. MILLEN.—No one can say now, but no Minister would tolerate the Board meeting unless there was work to do.

Senator BENNY.—The Minister could not help it. The Board could flout the Minister.

Senator E. D. MILLEN.—The Minister could and would help it, and I decline to believe that the gentlemen appointed to the Board would meet merely to twiddle their thumbs and draw their fees. I am encouraged by Senator Drake-Brockman's remark, that he thought the amount was a little on the low side, to emphasize this point. Three meetings a week until the Board can find its feet is not an exaggeration. There is a probability of it, so that £3,200 a year would go in salaries and fees, leaving nothing for a typist, or postage, or other ordinary expenditure. If the Committee thinks that a limit should be placed on the expenditure, it should leave a margin, not on the wrong side as proposed by Senator Wilson, but on the right side.

Senator PRATTEN.—What would you suggest?

Senator E. D. MILLEN.—I would leave it to the good sense of the Minister and the Board; but if the Committee is not prepared to do that, it should at least fix a limit which is reasonably sufficient for the purpose. If the Committee does not like the Board, let it kill it, but for goodness sake let us not starve it.

Senator VARDON.—Are you prepared to suggest an amount?

Senator E. D. MILLEN.—No, but I have shown that £3,000 is insufficient. I hope the Committee agrees that at least it is cutting it unduly fine. For that reason, I shall vote against the amendment. I go further, and appeal to the

Committee not to impose any limitation on the amount of the yearly expenditure. There is another way in which the possible tendency of Departments to grow can be curbed. It is a much better way than this proposal. It is to place a time limit on the operation of this measure. If that is done, Parliament can, at the end of a reasonable time, when the Board has been allowed to go to work freely and untrammelled, see how things have shaped.

Senator BENNY.—Give it three years.

Senator E. D. MILLEN.—The honorable senator wants to kill the Bill. It is reducing it to a farce to start a piece of machinery and deny the oil for lubricating purposes. If it is feared that the Department will grow and become unduly extravagant the better proposal is to put a limit on the time for which the Bill shall operate.

Senator WILSON.—And on the amount that the Board will spend as well. They may spend a lot of money in eighteen months.

Senator E. D. MILLEN.—I began by saying that I had no hope of bringing the honorable senator to a reasonable view.

Senator WILSON.—I do not think you should say that.

Senator E. D. MILLEN.—Then I will say that I prefer my own view to his. We must have some measure of faith in any institution or Government. We must give them some latitude. We cannot tie them down by dotting every "i" and crossing every "t." The question is whether the Committee, in view of the statements which have been made as to the purposes of the Board, is going to let it work effectively. If we limit unduly the amount to be spent on it, we possibly curb it in some way or other. On the other hand, if we allowed it twelve months or two years, the amount it spent would not be likely to be very alarming, while the Minister would be given an opportunity to try the Board out thoroughly. Parliament would then know what work the Board had done, and what it was costing. When the Bill evaporated at the end of the time limit, and Parliament was approached to continue the existence of the Board or to substitute another method, Parliament would know exactly what the Board had

done, and whether or not its work justified the continuance of the expenditure. The Government will be quite willing to accept a limit as to time, and I ask the Committee to be content with that.

Senator BENNY.—If you once create a Board it is not so easy to destroy it again. You have all the staff connected with it.

Senator E. D. MILLEN.—If in two years' time the Board had proved costly and inefficient, the consideration mentioned by the honorable senator would not restrain him or any other member of Parliament from agreeing to its abolition.

Senator WILSON.—Once you create a Department, it is very difficult to abolish it.

Senator E. D. MILLEN.—I am afraid Senator Wilson is allowing those general phrases which have become current outside, and which float on every breeze, to sway his judgment.

Senator WILSON.—Coupled with experience.

Senator E. D. MILLEN.—The honorable senator has had no experience of a Tariff Board yet. I do not wish to continue an interminable dialogue with the honorable senator. It is impossible to lay down any limit of expenditure without running the risk of either providing insufficient funds or providing so large an amount as to leave a margin for that very extravagance against which honorable senators say they wish to guard.

Senator BENNY.—If we find it insufficient we can increase it next year.

Senator E. D. MILLEN.—The effect of carrying the amendment would be to tell a Board, which should sit three days a week, that Parliament had voted only enough money to allow it to sit twice or even once a week, and that, if the Board wanted the assistance of a typist, it could not have it, because Parliament had not made sufficient money available. I submit that it is much better that Parliament should be informed from time to time as to what is being expended; and, with a time limit, the Board could not possibly get out of hand before the Senate had a further opportunity of considering its constitution, expenditure, and efficiency.

Senator JOHN D. MILLEN (Tasmania) [5.20].—I have listened to both Senator Wilson and the Minister for Repatriation (Senator E. D. Millen), and I agree with

both. I agree that there should be a limit to the expenditure, and also a time limit. We have to look for a precedent; and we find that in the conditions imposed on the Public Works Committee and the Public Accounts Committee, in regard to both of which Parliament has placed a limit on the expenditure. I say definitely that I am absolutely opposed to the proposed Board—let there be no misunderstanding as to that—and if I had an opportunity I should kill it. If we do not place a limit to the expenditure we shall have an experience similar to that of the Inter-State Commission, which had all the functions of this Board, and which, I am informed, cost about £100 a day to run. If we leave the matter perfectly open, so that the expenditure may be what the Board or the Minister desires, over a period of, say, two years, we shall have to face something that we shall not like. I think, in common with others, that there are far too many Boards for economy and for the good of this Parliament. We must shoulder our responsibilities as a Parliament, and the more Boards there are—many of which are beyond our control—the more responsibilities we shall have as the representatives of the electors. As I say, I am totally opposed to the Board, and I shall support the amendment.

Senator PRATTEN (New South Wales) [5.22].—I feel that the psychology of the determined opposition to this Bill is, first of all, to be found in the necessity to bring up the Government with a "round turn," as it were, in connexion with the appointment of Boards which very largely function outside parliamentary control. A further opposition to the Bill has developed on the grounds of economy and of previous experience, which has shown us that the constitution of a Board or a new Department invariably brings in its train somewhat unnecessary expenditure. As an illustration of what goes on, I have taken the trouble to ascertain some official figures in regard to the Quarantine Department, with which is now incorporated, or which is incorporated in, the new Health Board. It is obvious that the work of the Quarantine Department is somewhat spasmodic, and it cannot be said to be increasing, its work is entirely controlled by the incoming of certain diseases and the examination of all ships. In 1909-10, when this Department was

first taken over by the Commonwealth, there was one permanent officer; in 1915-16 the permanent officers had increased to sixty-nine; and in 1920-21 to 129. These, it must be remembered, constitute the permanent staff, and any extra work is done by calling in temporary assistance from outside.

Senator E. D. MILLEN.—Does the honorable senator think that the Commonwealth should not control quarantine?

Senator PRATTEN.—Certainly not. I am merely pointing out, by way of illustration, how Departments grow, and how this particular Department has grown. In fairness, I ought to say that the growth of the permanent staff of this Department from sixty-nine in 1916 to 129 in 1920-21 is partly accounted for by the activities of the Commonwealth serum laboratories, which were established in 1916. Now, let us take the money side of this illustration. In 1909-10, when the Department was first established, the expenditure was £23,355, and the revenue was £4,724, showing a net expenditure of under £20,000, and I understand that in 1909-10 the Department had to examine every ship and every passenger, apparently, coming to Australia, just as it does now in 1920-21. Now, so as to get a fair comparison, let us take the period 1915-16, when the Commonwealth serum laboratories were established.

Senator JOHN D. MILLEN.—You are not against the serum laboratories?

Senator PRATTEN.—No; I am merely showing how the Department has grown, and I am taking these periods so as to give a fair comparison. In 1915-16 the expenditure by the Department was £103,112, and the revenue £19,242, showing a net expenditure of over £80,000, as compared with under £20,000 six years before. Now, take this year, when the necessity for economy is very much more vital, serious, and urgent than it was in either of the other periods. The estimated expenditure is £155,971, and the estimated revenue £35,000, showing an excess expenditure of £120,000.

Senator REID.—Was that not due to the influenza outbreak?

Senator PRATTEN.—My honorable friend will remember that the States were burdened with most of the expenditure on

that account. In any case, the Quarantine Department, outside the laboratories, had the same work to do ten years ago as it has this year; and yet there is nearly six times the excess expenditure. That illustrates the point to which I am coming. Whenever Boards or new Departments are created, expenditure goes on, and cannot be controlled by this Parliament, because very often the money is spent before it is voted. We are told the Bureau of Commerce and Industry costs about £10,000 a year, I do not know what the Institute of Science and Industry will cost, though, perhaps, Senator Fairbairn may give us some idea of what we are committed to in that regard.

Senator FAIRBAIRN.—It is impossible to estimate.

Senator PRATTEN.—I think that some control should be placed on the expenditure of this proposed new Board, if we are to have one, and I admit that there is something to be said with regard to the desirability of it, at least for a time. I am glad to hear, for the first time, from the Minister for Repatriation (Senator E. D. Millen) that the Government are now prepared to impose a time limit on the operations of the Board. I believe it is as a result of the debates in this chamber last week that the Government now see the obvious, which is to consolidate all the varied activities under one strong Board of Trade, or, if honorable senators choose, one Trade and Tariff Board, and thus remove all those little "pin-pricks" now inflicted on the commercial community. Who knows, for instance, what is going on in connexion with the Coal Board? What money is expended on it? Who knows whether or not it is offering one section of coal consumers an advantage and placing a handicap on another? I confess I do not. I do see that some restriction should be placed on the expenditure of the proposed Board; and I shall support the amendment of Senator Wilson. But, so far as the arguments of the Minister for Repatriation are concerned, I see that there is something in the proposal for a little higher limitation; but some limitation there should be.

As to the chairman of the Board, he ought to be adequately remunerated. I

do not think I am telling tales out of school—for it is common knowledge—when I say that the gentleman whom the Government propose to appoint is Major Oakley.

Senator FAIRBAIRN.—He is a good man!

Senator PRATTEN.—Major Oakley is deeply versed in all Tariff intricacies, and his experience during the last two years in connexion with the pros and cons of the present Tariff is absolutely unique in Australia. I agree with Senator Fairbairn that Major Oakley is a good man, and I like to see a good man properly remunerated. That is my reason for desiring the salary to be at least £1,500 a year. In the past some of the high officials in the Commonwealth Service have been inadequately paid; their salaries have been miserable compared with the responsibilities of their positions. Surely to Heaven, this is just as important a position as that of Mr. Stirling Taylor!

Senator JOHN D. MILLEN.—And a great deal more important than that of the chairman of the Basic Wage Board.

Senator PRATTEN.—Quite so, and Mr. Atlee Hunt is paid £2,000 a year.

The CHAIRMAN (Senator Bakhap).—The honorable senator may use these facts illustratively, but he must not indulge in extensive discussion regarding other officials.

Senator PRATTEN.—Surely I may be allowed to compare the salaries paid at present in the Public Service with the salary proposed in this clause. I may, in this connexion, mention the Administrator of New Guinea, also Mr. Percy Hunter—

The CHAIRMAN.—I point out that the remuneration of the chairman of the Board has been already fixed by the Committee within certain limits.

Senator PRATTEN.—Unless we add an addendum that the salary shall be higher.

Senator E. D. MILLEN.—We cannot do that without destroying what we have passed.

Senator PRATTEN.—We can add a special clause if we wish to add another £100 or £200 to the salary. I was speaking of the Administrator of New Guinea, and going on to speak of Mr. Percy Hunter, Mr. H. S. Gullett, also the chairman of the Phosphate Commission, and the chairman of the Repatriation Commission, who are all receiving bigger

salaries than the salary proposed in the clause. If the amendment is carried, and the expenditure is limited to £3,000 a year, I should like to see Major Oakley, as chairman, receive half of that amount, for it is certain that he will have to do fully half the work, of which he is quite capable.

As a result of the discussion of this Bill in this Chamber I hope that I am right when I visualize that two years hence, when the Board will have expired by effluxion of time, the Government will bring down a broad, comprehensive measure to include under one head all the many partial governmental activities, with a strong Board that will have the confidence of the business community of Australia, and to which the producers and consumers may go if they feel that they are suffering any injustice. Instead of taking, as it were, so many bites out of one problem, the Government ought to take the responsibility of introducing such a measure.

Senator PAYNE (Tasmania) [5.35].—I intend to support the amendment moved by Senator Wilson because this is the first opportunity we have had of definitely dealing with the expenditure of any Department. I believe the time has arrived when Parliament, if it has the opportunity, should say definitely how far it will go in the expenditure of any Department. I have given this matter very careful consideration, and I am not prepared to support a proposal which would affect efficiency or interfere with any effort to satisfactorily carry out important work. I remember the attitude adopted by the Minister (Senator Russell) and of the Minister for Trade and Customs (Mr. Greene), in introducing the Bill, and in each case the members of each House were impressed with the statements made that the proposed Board would not be an expensive body, as the work would not be continuous. We were informed that, in committing ourselves to a measure of this description we were not incurring the possible expenditure of a large sum of money. I intend to support the amendment because I think it preferable to giving the Government an open cheque.

Senator CRAWFORD (Queensland) [5.37].—I am strongly opposed to the limitation which this amendment places upon the expenditure to be incurred by the proposed Tariff Board. As I have

previously stated, the industrial and commercial activities of the Commonwealth are not confined to the city of Melbourne, or even to the whole of the State of Victoria, and I do not think a thorough investigation could be made by any Board sitting in this city. If the total expenditure is to be limited to £3,000 it will not be possible for the Board to conduct investigations outside what may be termed the inner circle of States. It would not be practicable for it to visit the more remote States of Western Australia and Queensland, and investigations which did not include the activities of those States could not be regarded as complete or satisfactory. If this narrow limitation is imposed the Board will completely fail in the purpose for which it is to be created, and it will not be in a position to advise Parliament on the very many matters upon which information is desired.

Senator E. D. MILLEN.—It it were to visit Perth the train fares of the members, a secretary and typist, would be £153 without any other expenditure.

Senator WILSON.—That is a point to which I directed attention the other day.

Senator CRAWFORD.—If the Board does its work on the limited amount suggested, it will be very inexpensive. I prefer the matter to be left in the hands of the Minister for Trade and Customs, who will have to administer the measure when it becomes law. If the Board fails in its purpose the responsibility must rest upon this Chamber for refusing to provide sufficient funds to enable it to effectively carry on its work.

Senator WILSON (South Australia) [5.40].—I have listened attentively to the discussion, and I am sure that the Committee do not want to hamper the inquiries by the Board. I do not agree with a great deal that has been said concerning the need for granting extra money, and I am not in favour of the appointment of three permanent men. I do not see why two business men, each receiving £1,250 a year, should be appointed when the Minister, who should be well-informed, said that the members of the Board would not be required to sit more than two or three times a week. The Minister for Repatriation (Senator E. D. Millen) has said that the Board may be required to sit three times a week at the outset, when the work is being organized. That may be so, but I direct

the attention of the Committee to the fact that the Tariff has been in operation for about eighteen months, and there have been no suggestions in this direction. Everything seems to be proceeding satisfactorily without this extra expenditure.

Senator CRAWFORD.—Honorable senators have been deluged with correspondence.

Senator JOHN D. MILLEN.—In connexion with higher or lower duties only.

Senator WILSON.—Yes. I have not received any correspondence advocating the appointment of a Tariff Board. The commercial men of the community are not asking for the appointment of such a body, and I believe that they desire freedom of action as far as possible. I rose merely in response to the persuasive powers of the Minister for Repatriation, who is, I believe, prepared to accept my amendment if the amount is increased to £4,000.

Senator REID.—Why not make it £5,000?

Senator WILSON.—If we are going to do that, we might as well wipe out the Board altogether. I believe the Minister for Trade and Customs (Mr. Greene) said that the expenditure would not exceed £3,000; but to meet the wishes of the Minister, I am prepared to amend my amendment by substituting the word "Four" for "Three."

Senator CRAWFORD.—The honorable senator's amendment does not express much confidence in the Minister.

Senator WILSON.—If one wished to imply a want of confidence in the Minister, I should leave it to Senator Crawford, because I have not shown any lack of confidence in Ministers, but only a desire to curtail expenditure.

Amendment amended accordingly.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [5.45].—The Vice-President of the Executive Council (Senator Russell) and I are prepared to accept the amendment as amended, but it must be understood that we cannot say what the Board is to cost within a pound or two one way or the other. The margin now allowed seems reasonably sufficient, and it cannot be said that by limiting the expenditure to £4,000 we will be paralyzing the Board before it commences. If it is found that the amount is exceeded, and that more money is required, say, for travelling expenses, the Government will have to con-

sider whether they will approach Parliament for a special travelling allowance, or compel the Board to stay at home. If it is the wish of the Committee, the Government will accept the amendment as amended.

Senator EARLE (Tasmania) [5.46].—I am sorry the Minister for Repatriation (Senator E. D. Millen) has compromised, as it is quite evident that the explanation given by the Minister in the first place was absolutely correct when he said that there were other ways of killing a dog instead of choking it with melted butter. It is quite evident that it is the desire of some to cripple the activities of the Board.

Senator E. D. MILLEN.—I do not think that £4,000 could be regarded in the same light as £3,000.

Senator EARLE.—No; but it is absolutely impossible for the Minister or any one else, at this period, to estimate the expenditure of the Board. It will have a great deal to do. Senator Wilson has said that he had not received any requests from manufacturers or importers for such a Board; but the honorable senator must remember that the Board is to work in the interests of the people generally, and not only on behalf of one section of the community. The consumers of this country are clamouring for investigations concerning the prices charged for goods on which heavy duties have been imposed, and the object of the Board is to see that the people are treated fairly. I can quite understand that the people to whom Senator Wilson refers do not want any investigations.

Senator WILSON.—I resent that insinuation, because I have not received communications from anybody to that effect.

Senator EARLE.—The honorable senator said that he had not received any communications.

Senator WILSON.—Not advocating the appointment of a Board.

Senator EARLE.—No, because the manufacturers and importers desire to be left alone.

Senator WILSON.—I have not received correspondence from any one concerning a Board.

Senator EARLE.—No, because the people with whom the honorable senator is associated do not want any interference. The Board is not being created for the

benefit of manufacturers and importers; but to see that the prices charged are fair and in the interests of consumers. That is what we are up against, and for the first year we cannot say how extensive the operations of the Board will be. I have sufficient confidence in the Government to believe that if the Board becomes reckless in the expenditure of money its operations will be curtailed.

Senator WILSON.—If it has the money it will spend it.

Senator EARLE.—What could the Board spend recklessly between now and the time when we shall have the opportunity of reviewing its work? I desire to give the Board a free hand in the important duties it has to perform, and I will hold the Government responsible for seeing that there is no extravagance in the expenditure. I do not want to be told later that the Board has not done anything because this Committee was too parsimonious to give it sufficient money to carry on. I am opposed to the amendment as amended. I hold the Ministry responsible for the proper care of expenditure and they will be called upon to account for any extravagance of which the Board may be guilty. I am sorry that the Minister has accepted the amendment.

Senator E. D. MILLEN.—The honorable senator will admit that £4,000 is better than £3,000.

Senator EARLE.—I do not know, and the Ministry do not know what expenditure will be necessary, and how far these investigations will require to be carried.

Senator BENNY.—The honorable senator desires us to give the Board a blank cheque.

Senator EARLE.—I desire the Senate to show the confidence in the Ministry which we ought to show. If we desire an inquiry into the conduct of the different protected enterprises, and to protect the people against imposition, we should create a Board and hold the Government responsible for the expenditure in connexion with it. Honorable senators ask the Government to accept responsibility for governing the country and then say that they shall not expend more than a certain amount.

Senator PRATTEN.—Surely we have the responsibility of legislation.

Senator EARLE.—Undoubtedly we have, and that function we are performing to-night. We are creating a Board.

Senator PRATTEN.—The honorable senator is arguing that to every Bill the Government bring before the Senate we must say "Yes."

Senator EARLE.—The honorable senator is perfectly wrong, as usual. The majority of senators have agreed to the principles contained in the Bill; they believe that a Board should be created to perform certain functions, and now the minority, who desired to defeat the Bill in the first place, are endeavouring to make the Board useless by restricting the expenditure upon its work.

Senator BENNY.—Did not a majority of senators vote in favour of the Bill only because they thought it could be amended into useful shape?

Senator EARLE.—I am not a thought reader. I know that a majority of the Senate voted in favour of the Bill, and I, personally, am strongly in favour of it. Unless the benefits conferred by the Tariff can be properly controlled Protection will be no good to the people of Australia. In order that the Protectionist policy may be a success there must be some tribunal, such as the proposed Board, to see that the people are not imposed upon, and that tribunal must be allowed sufficient money for the purposes of its work. However, as the Minister has agreed to accept the amendment, I suppose I am only beating the wind by opposing it.

Amendment, as amended, agreed to.

Clause, as amended, agreed to.

Clauses 9 to 11 agreed to.

Clause 12—

1. For the conduct of business any two members shall be a quorum, and shall have, subject to the next sub-section, all the powers of the Board.

2. At meetings of the Board the decision of the majority shall prevail.

3. The Chairman shall have a deliberate vote, and, in the event of an equality of voting, a second or casting vote.

Senator EARLE (Tasmania) [5.56].—The Board is to consist of three members, and if the chairman is given a casting vote as well as a deliberative vote he will be placed in a dominating position. When there is a full meeting of the Board the view of two out of the three members will prevail, and there will be no need for a casting vote, but this clause

provides that two members shall constitute a quorum, and in the event of disagreement the chairman may exercise a casting vote. If that provision is adhered to the second member of the Board might as well not attend the meeting, because it is certain that the view of the chairman will be carried. I therefore move—

That the words "and in the event of an equality of voting a second or casting vote" be left out.

If that amendment is agreed to, the effect will be that when at a meeting attended by only two members of the Board there is a difference of opinion the question will be decided in the negative, and can be revived at a full meeting of the Board.

Senator DUNCAN.—That will give the domination to the person who is voting in the negative.

Senator EARLE.—The position will be much the same as that in the Full Court; when two members disagree, the third, at a full meeting of the Board, will hold the balance. If the Board were larger, and the quorum consisted of four or six members, the chairman might very well be given a casting vote, but, according to this clause, the chairman himself will constitute half the quorum, and as he may exercise two votes he will absolutely dominate the meeting.

Senator CRAWFORD.—In that event, the business member of the Board would carry no weight at all.

Senator EARLE.—He might be strenuously opposed to the chairman, but as the chairman has two votes his will must prevail, whilst if the second member should be in agreement with the chairman, his presence would not be necessary. The amendment will mean that the chairman shall have a deliberative vote, and that when the voting is equal, which can only be at a meeting of two members, the question should be resolved in the negative.

Senator PAYNE (Tasmania) [6.1].—In the circumstances indicated by Senator Earle, the chairman would be supreme, but if the amendment is accepted it may lead to a large duplication of the work of the Board. A lengthy discussion at a meeting of two members of the Board would, in the event of a disagreement, require to be repeated at a meeting of the full Board.

Senator CRAWFORD.—Which might not occur for months if one member was ill.

Senator PAYNE.—There is a great deal in what Senator Earle has said in regard to the inadvisability of allowing the chairman to dominate a meeting attended by only himself and another member. I do not know whether it would not be advisable to provide for only full meetings of the Board. If the clause did not make provision for two members to form a quorum, the Board could meet only when three members were available.

Senator PRATTEN (New South Wales) [6.3].—I am entirely in agreement with Senator Earle's amendment. I should like to see the clause amended by the omission of sub-clause 3. The Board is to comprise three members who, no doubt, will be men enjoying the confidence of the Minister, the Parliament, and the country, and with such a Board the chairman should not be given a casting vote. According to the clause, he is to have a deliberative as well as a casting vote when only he and another member are present. I do not think that the vote of the chairman should dominate the other member in the absence of the third member. I see no necessity for giving a chairman of a Board of three a casting vote, and I shall vote for the amendment in the hope that the Government will see their way clear to strike out the whole of sub-clause 3.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [6.5].—Many of the matters which the Board will be called upon to decide will be of a minor character, having to do, for example, with calculations over unimportant articles of import, which are now dealt with by the Minister alone. It would be absurd to require such trivialities to be re-investigated if there should be lack of unanimity between the two members of the Board who chanced to be present at a meeting.

Senator EARLE.—Would it not be absurd that any member of the Board should see fit to debate such things?

Senator E. D. MILLEN.—I have known honorable senators to display stubbornness of mind and force of extended argument over very little matters—subjects which persons outside this Parliament would not deem worth five minutes' talk. Suppose that two members of the

Board were to proceed to a distant State, the third being unable to go; or suppose that, among the three, it was decided that only two need go. If the proposal now before this Committee were adopted, it would mean that the two travelling members could not deal with any subject effectively; or, that if they did bring it to an effective head, and the member who had remained behind disagreed with their finding, the whole business would have to be hung up while all three went off to make a fresh investigation.

Senator PRATTEN.—Why appoint a member of the Board if he will not do his job? He gets his £5 5s. per sitting.

Senator E. D. MILLEN.—Assurance of payment is no guarantee of a job being done.

Senator PRATTEN.—Will not the fact of the appointment be a guarantee of the job being done?

Senator E. D. MILLEN.—Yes, so far as the Government can conceivably provide. Naturally, no man would be appointed who could not give satisfactory proof of his ability and assurance respecting his intention faithfully to perform his duties. The Board will be only advisory. A recommendation by the Board, whether unanimous or reached upon the casting vote of the chairman, will not of itself do anything. Moreover, I take it that the Minister, upon receipt of a report, would require to be informed whether the recommendation submitted by the Board carried the indorsement of the whole of its members. If he were informed that a decision had been arrived at upon the casting vote of the chairman in the absence of the third member, and if he considered the matter of great importance, he would surely require that it should be dealt with by the full Board.

Senator EARLE.—Very often the Minister would not be advised of the fact that a third member had been absent, or that the remaining member had resisted the recommendation and had been overborne by the casting vote of the chairman.

Senator E. D. MILLEN.—I think that the Minister, for his own satisfaction and security, would require to be told whether important recommendations had been unanimously indorsed, or agreed to only upon the casting vote of the chairman. Having, perhaps, more faith than some

honorable senators in the common sense of Ministers, I ask the Committee to agree to the clause as it stands.

Amendment negatived.

Clause agreed to.

Clauses 13 and 14 agreed to.

Clause 15—

(1) The Minister shall refer to the Board for inquiry and report the following matters:—

- (a) the classification of goods under all Tariff items which provide for classification under by-laws;
- (b) the determination of the value of goods for duty under section 160 of the Customs Act 1901-1920;
- (c) any dispute arising out of the interpretation of any Customs Tariff or Excise Tariff, or the classification of articles in any Tariff, in which an appeal is made to the Minister from the decision of the Comptroller-General;
- (d) the necessity for new, increased, or reduced duties, and the deferment of existing or proposed deferred duties;
- (e) the necessity for granting bounties for the encouragement of any primary or secondary industry in Australia;
- (f) the effect of existing bounties or of bounties subsequently granted;
- (g) any proposal for the application of the British Preferential Tariff or the Intermediate Tariff to any part of the British Dominions or any foreign country, together with any requests received from Australian producers or exporters in relation to the export of their goods to any such part or country;
- (h) any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff, and in particular in regard to his—
 - (i) charging unnecessarily high prices for his goods; or
 - (ii) acting in restraint of trade to the detriment of the public; or
 - (iii) acting in a manner which results in unnecessarily high prices being charged to the consumer for his goods; or
 - (iv) refusing to sell to any person goods to the value of £50 at current market rates,

and shall not take any action in respect of any of those matters until he has received the report of the Board.

Senator PRATTEN (New South Wales) [6.10].—I move—

That the word "shall," line 1, be left out with a view to insert in lieu thereof the words "may in his discretion."

Much has been said and argued regarding how inquiries are to be initiated, conducted, and reported upon. This sub-clause, if amended as I desire, will provide for much more elastic working. It will not be obligatory for the Minister to refer to the Board all the many minor matters coming within his purview.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [6.13].—I had somewhat similar thoughts in mind when I discussed this measure with the Minister for Trade and Customs (Mr. Greene). I would point out that this, the crucial clause of the Bill, has been divided, so far as concerns reference of matters by the Minister to the Board, into two portions; and that sub-clause 1 begins with the expression "The Minister shall refer to the Board," while sub-clause 2 begins "The Minister may refer to the Board." The difference—namely, the use of the word "shall" in one instance and of the word "may" in the other—is specifically provided at the desire of the Minister for Trade and Customs. The Minister is of opinion, so far as the matters dealt with in sub-clause 1 are concerned, that the receipt of a report from the Board should precede Ministerial action. With respect to those dealt with under sub-clause 2, however, the desire is that the Minister shall have discretion. Since the Minister knows the circumstances, and is familiar with the widely embracing and very technical work of his Department, I suggest that honorable senators defer in this instance to his expressed wishes.

Senator PRATTEN.—But may not the whole procedure of Parliament be held up by the wording of the clause where I desire to amend it?

Senator RUSSELL.—Certainly not.

Senator PRATTEN.—The clause says, in effect, that the Minister shall not take any action in respect of all the matters covered by sub-clause 1 until he has received a report from the Board.

Senator RUSSELL.—Otherwise, why have a Board?

Senator PRATTEN.—Why have a Parliament?

Senator RUSSELL.—In ninety-nine cases out of one hundred the Minister does not take action to-day until he has re-

ceived a report and recommendation from officials of the Customs Department.

Senator PAYNE (Tasmania) [6.17].—If it is not to be mandatory for the Minister to refer certain matters to the Board for inquiry, what is the necessity for this Bill? I would not have supported it but that it embraced provision whereby the Minister should submit certain matters to the Board for inquiry and report. There is nothing in this clause which can take away from Parliament the right to move in any direction desired, either in regard to the operations of the Board or the actions of the Minister. Why should the Board be appointed and a specific range of matters set forth for reference by the Minister to it, if the Minister may act independently of the Board? If the clause were to read, "the Minister may, in his discretion, refer to the Board" certain matters, the Bill would be worthless.

Senator DUNCAN.—If the honorable senator were to place information before the Senate, on the strength of which it resolved to recommend a reduction of rates, or an increase of duty, the Government would not be able to do anything until that subject-matter had been referred to the Board. Under such procedure the Board would be higher than Parliament.

Senator PAYNE.—I cannot see that. In this clause, there is distinct discrimination with respect to the subjects to be referred to the Board. The matters covered by sub-clause 2 are of a totally different character from those provided for in sub-clause 1. On the introduction of the Tariff, a measure of this kind was promised, in the hope that the Tariff would thus be made more acceptable to the Parliament. We were told definitely that certain matters would be referred to the Board for inquiry, and not at the discretion of the Minister. I am glad that so many matters are set out in the mandatory portion of the clause. In my opinion, the instruction should be direct to the Minister from Parliament to refer certain specified matters to the Board for inquiry and report.

Senator DUNCAN (New South Wales) [6.22].—To certain of the paragraphs of sub-clause 1 I take no exception. I am prepared to agree that the Minister shall refer to the Board for inquiry and report the matters mentioned in paragraphs

a, b, c, and h, but there are matters mentioned in the other paragraphs which it is also imperative that he shall refer to the Board which I think should not be so referred. For instance, paragraph g compels the Minister to refer to the Board—

any proposal for the application of the British preferential Tariff or the Intermediate Tariff to any part of the British Dominions or any foreign country.

That matter is, however, primarily the business, not of the Tariff Board, but of Parliament, it being, not a minor matter for Customs administration, but a question of policy for which the Government must be responsible, and for which parliamentary sanction must subsequently be obtained. It is, I think, a matter about which it would be preferable to say that it may than that it shall be referred to the Board. The amendment proposes to give to the Minister a wider discretion than he has under the Bill.

Senator PAYNE.—Ought not the honorable senator to move the omission of the paragraph which he is quoting?

Senator DUNCAN.—No. The proposal to which it refers, and other matters, may legitimately, in certain circumstances, be referred to the Board; but, on the other hand, it may not be advisable to refer them to it. A proposal for the application of the British preferential Tariff or the intermediate Tariff to any part of the British Dominions, or any foreign country, might be the subject of negotiation between the Commonwealth and another Government, and it might be inexpedient to refer it to the Board; yet, as the clause stands, it would have to be referred. I think that the referring of that matter, and of some of the others mentioned in the clause, should be at the discretion of the Minister.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [6.27].—I would point out to Senator Duncan that the arrangement sanctioned in the clause will relieve the Minister of an enormous amount of work in the making of inquiries, and that he will still have the ultimate voice in determining what shall be done.

Senator DUNCAN.—The amendment would not take from him the right to refer any matter to the Board.

Senator RUSSELL.—The present Minister for Trade and Customs (Mr. Greene),

as the result of his experience in the Department, wishes that these matters shall be referred to the Board.

Amendment negatived.

Senator PRATTEN (New South Wales) [6.29].—The effect of negating my amendment, apparently, will be that Parliament could not sanction the application of the British preferential Tariff or the intermediate Tariff to any part of the British Dominions or any foreign country until the matter had been referred by the Minister to the Tariff Board for inquiry and report.

Sitting suspended from 6.30 to 8 p.m.

Senator EARLE (Tasmania) [8.0].—I move—

That after sub-paragraph (i) of paragraph (h) of sub-clause (1) the following new sub-paragraph be inserted:—“(ia) failing to prevent unnecessarily high prices being charged to the consumer for goods manufactured by him; or”.

My object is to prevent the middleman making exorbitant profits upon goods which are Australian made. Of course, it may be argued that the manufacturer can exercise no control over goods after they have left his factory.

Senator BENNY.—Neither can he.

Senator EARLE.—I think that he can. If the dealings of a manufacturer with his agents were open to inquiry by the Board, he would necessarily include in his contract of sale a provision that the goods purchased from him should be sold by the middleman at a reasonable profit upon the price which the latter had paid for them. We can just as easily insure that result as we can insist upon the manufacturer selling at a reasonable profit in the first instance. In the absence of such a provision, the entire object of the Bill will be defeated. Laws are passed for the purpose of controlling the dishonest citizen, not for the purpose of controlling the honest one. If everybody would do the right thing, there would be no need for Acts of Parliament. The latter are intended to act as a deterrent to people who are prone to wrongdoing. If the manufacturers' responsibility is to cease the moment his goods leave his own factory, what virtue is there in the Bill?

Senator CRAWFORD.—Does the honorable senator propose to make the manufacturer responsible for the acts of his agents?

Senator EARLE.—I propose to insure that goods produced by Australian manufacturers shall be sold to the consumer at reasonable prices.

Senator CRAWFORD.—The honorable senator wishes to provide that goods manufactured in Melbourne shall be sold at a reasonable price in the Northern Territory.

Senator EARLE.—I do not suggest that it will be possible to give effect to my amendment in cases in which only small quantities of goods are sold by the manufacturer. But merchants usually purchase in large quantities, and it will be quite easy for the manufacturer to insist that, in their distribution, the retailers shall be content with a reasonable profit. In the absence of some such provision, what would be easier than for a manufacturer to sell his goods to a merchant at, say, a profit of 10 per cent. upon the cost of production, and to agree to permit the merchant to make a profit of 50 per cent. or 100 per cent., which they should share between them?

Senator RUSSELL.—If the manufacturer does that there is power in the Customs Tariff Bill under which the Minister may reduce the duty upon any article.

Senator EARLE.—But would the manufacturer be likely to come to the Minister and tell him of such a conspiracy? The Board can only prevent the result which I fear by carefully watching the prices charged by retailers for any particular class of goods.

Senator E. D. MILLEN.—The honorable senator's amendment would make the manufacturer police the retailer.

Senator EARLE.—Very largely. The Minister has power to instruct the Board to inquire into the question of whether a manufacturer is charging unnecessarily high prices for his goods. That presupposes that the purpose of the Bill is to prevent the public being exploited by the manufacturer, who has been protected by the Tariff. In the absence of some such safeguard as that which I propose, the manufacturer would be able to charge exorbitant prices for his goods. I am aware that under our Constitution we cannot directly control the middleman.

Senator CRAWFORD.—There is provision in the Bill that the manufacturer must sell his goods to anybody who is prepared to purchase them.

Senator EARLE.—The provision in the Bill is that the Board may be empowered to inquire into any instance in which a manufacturer refuses to sell to a particular individual. If my amendment be adopted, the manufacturer will not be compelled to supply even £50 worth of goods to a retailer or merchant unless he has their assurance that they, in their turn, will sell those goods at a reasonable profit. I believe that tradespeople should be allowed to make a reasonable profit. But whilst affording every protection to the manufacturer against the competition of cheaper goods from the outside world, it is the duty of this Parliament to see that the general public are not robbed.

Senator PRATTEN.—Will the honorable senator be good enough to define what is meant by "unnecessarily high prices"?

Senator EARLE.—I cannot lay down any hard-and-fast rule. Considerable elasticity must be allowed. This Parliament cannot say what would be a reasonable price to charge for any article. The question of the capital employed in the industry, the cost of the raw materials, and other factors, would require to be taken into consideration. Consequently the Board, in making its report, would have to exercise the widest discretion. I regard my amendment as a very important one, because if some effort be not made to prevent the exploitation of the people, the Bill will prove ineffective. I recognise that if I were speaking in opposition to the amendment I could raise many objections to it. I could urge that it would be impossible to follow the goods into general consumption, inasmuch as they might change hands several times before they left Flinders-lane. Nevertheless, if protection is to be granted to the manufacturer, some endeavour should be made to protect the interests of the general consumer.

The CHAIRMAN (Senator Bakhap).—I understand that another honorable senator has a prior and more comprehensive amendment to move.

Amendment temporarily withdrawn.

Senator DRAKE-BROCKMAN (Western Australia) [8.15].—I desire to move that the whole of paragraph *h* of sub-clause 1 be left out, but I realize that if I were to move that amendment now the most

objectionable portion of the paragraph, namely, sub-paragraph iv., could not be dealt with subsequently if my original amendment were defeated. I therefore propose to deal with the paragraph piecemeal.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [8.16].—I should like to make a suggestion. I am certain that every honorable senator, whilst claiming his full right to have considered the amendment that he desires to move, has no wish to shut out any one else from exercising a similar right.

Senator DRAKE-BROCKMAN.—Not at all.

Senator E. D. MILLEN.—Then I suggest that the honorable senator should merely move to omit the words "any complaint that a manufacturer is taking undue advantage of the protection afforded to him by the Tariff and in particular". If the Committee decided that those words should stand, it would still be free for an honorable senator to move amendments in the sub-paragraphs. On the other hand, if the amendment were agreed to, it would then be competent for the honorable senator taking the passing of his amendment as an indication that the Committee wished to strike out the whole of the paragraph to move to that effect.

Senator DRAKE-BROCKMAN (Western Australia) [8.18].—I think the suggestion made by the Minister (Senator E. D. Millen) is a good one. I therefore move—

That in paragraph (h) of sub-clause (1) the words, "any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff, and in particular" be left out.

I have no desire to limit the discussion by dealing at once with the whole question, but, as a matter of fact, I desire to secure the elimination of the whole of paragraph h of sub-clause 1. My reasons are twofold. In the first place, I think the retention of such a provision is of no use from a legal point of view, and that whatever pious hopes we may have that we shall be able to deal with the profiteer, we shall never really catch him. My second reason is that I object to the harassing of manufacturers and others

by these methods. The best way to deal with the profiteer is to encourage competition. Where there is sufficient competition there is no profiteering. If the Tariff is so shaped that it will create a monopoly, and, therefore, profiteers—

Senator GUTHRIE.—Which it must do.

Senator DRAKE-BROCKMAN.—As it may do; let us alter the Tariff and deal with the profiteer in that way. If it is desired to deal with the profiteer—

Senator GUTHRIE.—We all said on the hustings at the last general election that we would kill the profiteer.

Senator DRAKE-BROCKMAN.—We all told the electors that we had not the power to deal with him, and yet with the object of destroying the profiteer we are proceeding in paragraph h to set up machinery which must be entirely ineffective. We asked the electors to agree to an amendment of the Constitution giving us the necessary power to deal with the profiteer. We said that this foul fiend was rampaging over Australia, and that we desired to destroy him; but that, in order that we might do so, the electors themselves must agree to give us the necessary power. That is what the Prime Minister (Mr. Hughes) told the electors, and what we repeated all over Australia. Many people became very eloquent as they held up this bogey, which they then proceeded to knock down, and I think that in that way they got a lot of votes. The electors, in their wisdom, decided not to give the Parliament the power to deal with the profiteer, and we have not the power to-day to deal with him. In 1911, under the Royal Commissions Act, letters patent were issued to a Commission to inquire into the sugar industry. The Commission, acting under the powers conferred on it, called before it certain witnesses—directors and other officials of the Colonial Sugar Refining Company. These officials refused to give the information that was demanded of them. It was in 1912 that the issue arose, and, after several appeals, the case went to the Privy Council, which decided that the Federal Parliament had not the authority to vest a Royal Commission with the powers of inquiry claimed in this case. We are now endeavouring to establish the same machinery for the same purpose, although the highest legal authority has already decided that no such power exists under

the Constitution of Australia. The original Royal Commissions Act, which, I think, was passed in 1902, purported to give certain powers of inquiry to Royal Commissions to whom letters patent were issued. That original Act was not as wide in its terms as the Constitution permitted, and finally, in 1912, in order to get over the difficulty that had arisen with the Colonial Sugar Refining Company, Parliament passed an amending Bill enabling Royal Commissions to make inquiry into and report upon matters specified in the letters patent, and which related to or were connected with "the peace, order, and good government of the Commonwealth," or any public purpose, or any power of the Commonwealth. There the exact wording of section 51 of the Constitution was followed. The powers vested in Royal Commissions under that Act were as wide as could possibly be granted under the Constitution, but the Privy Council decided that there was not the necessary authority under the Constitution to grant those powers of inquiry. In this case we are either proposing to give to this Board the whole power to make inquiries that is granted us under the Constitution or something less. We can grant no greater power than the Constitution itself gives.

Senator PAYNE.—Does the honorable senator say that the Constitution does not give us the power of inquiry?

Senator DRAKE-BROCKMAN.—I say deliberately that the power to inquire into profiteering still remains with the States, and not with the Commonwealth. We must not forget that this is a Federation of sovereign States. Sovereign powers were vested in all the States, and they in turn surrendered a portion of their powers to the Commonwealth. Any power that is not set out in the Commonwealth Constitution is still retained by the States. The Commonwealth Constitution, as I understand it, does not give to the Federal Parliament the power to deal with profiteering. That position seemed to be clearly understood on the occasion of the last general election. If we had this power why did we ask the electors to amend the Constitution?

Senator E. D. MILLEN.—In order that we might have more ample powers.

Senator DRAKE-BROCKMAN.—And the people of the Commonwealth turned down the proposed amendments of the

Constitution. Senator Guthrie, who is a very conscientious man, promised the electors, as he has so often told us, that he would do his utmost to destroy the profiteer. That being so, he naturally desires to support any proposition purporting to deal with profiteering. Ministers may be honestly desirous of doing the same thing, but I do not believe in political "eye-wash." Since I do not consider that these powers will be effective, I do not believe in putting them in the Bill. There are many directions in which the Board within the limits imposed by this Committee can carry out very useful work.

Senator CRAWFORD.—Does the honorable senator think that the deletion of the paragraph providing for the exercise of these powers would make any difference?

Senator DRAKE-BROCKMAN.—Under paragraph *b* of sub-clause 1 as it stands, we have the Board armed with a big stick. It will shake it in the face of the little man who dare not fight it; but the moment it runs up against the big man—the man whom we want to get at—he will tell it to go elsewhere. If they endeavour to compel him, he will take them to the Court, and still refuse to answer, and fight them right up to the Privy Council. The clause will have the effect of harassing the little man and will be harmless to the big man. It will not effect the purpose for which it is designed. It will not enable effective inquiries to be made in order to ascertain if the big man is a profiteer or not. Let us therefore take it out of the Bill. Even if it were constitutional, I should still like to see it taken out, because I believe the best way to deal with the profiteer is by competition.

Senator CRAWFORD.—We might have Combines instead of competition.

Senator DRAKE-BROCKMAN.—If they form Combines, we must cut out the protection for that particular industry.

Senator CRAWFORD.—That is exactly what the Bill proposes to do.

Senator DRAKE-BROCKMAN.—But that is the function of Parliament. It is one of the things which the Constitution allows; but the Constitution does not allow us to examine the manufacturer's books or compel him to answer questions about his business.

Senator EARLE.—What conclusion would the honorable senator come to if the man refused to answer?

Senator DRAKE-BROCKMAN. — I would conclude that he did not desire me to know what his business was. If he was the only manufacturer in the whole of Australia in that particular line, we could say "We will deal with you by cutting out the duty." But if he were only one of a hundred all over Australia—

Senator EARLE.—And they all refused to answer?

Senator DRAKE-BROCKMAN.—And if they all refused to answer, as they might very well do, we could treat them as one man, if we had gone to them all; but that would be a tremendous inquiry, and we have allowed the Board a maximum of only £4,000 a year. We have limited the scope of their inquiry by the amount of money we have allowed them.

The CHAIRMAN (Senator Bakhap). —The honorable senator's time has expired.

Senator PAYNE (Tasmania) [8.34].— I do not propose to set up my opinion as a layman against that of Senator Drake-Brockman, who has wide legal knowledge, but I should like it to be made clear whether the powers enumerated in this clause can be in any way compared with the powers which were sought some time ago in the proposed amendments of the Constitution.

Senator DRAKE-BROCKMAN. — Those powers were much wider.

Senator PAYNE.—The powers asked for at the *refereundum* had no limitation as regards trade and commerce. The clause provides that the Minister shall refer certain specified matters to the Board for inquiry and report. We are not asked to consent to that proposal in order that we may curtail trade or fix prices. We are asked to give power to the Minister to refer those matters to the Board so that the Minister may be informed, from the inquiries made by the Board, whether the protection afforded by the Tariff has been abused or respected by the manufacturers. That is the point on which I stand. The four inquiries that may be made under the clause are as follow:—

1. Whether the manufacturer is charging unnecessarily high prices for his goods.

That means unnecessarily high prices for his goods, taking into consideration the Tariff which protects him.

2. Whether the manufacturer is acting in restraint of trade to the detriment of the public.

That would mean the storing up of goods so as to limit the output to the consuming public in order to keep the price up, at the same time having the advantage of the high Protective duty given by Parliament.

3. Whether the manufacturer is acting in a manner which results in unnecessarily high prices being charged to the consumer for his goods.

All these points have an intimate connexion with the protection which is afforded to the manufacturer under the Tariff.

4. Whether the manufacturer is refusing to sell to any person goods to the value of £50 at current market rates.

I have given notice of an amendment to the fourth sub-paragraph, which I want to modify and make applicable to the class of people that it was intended to cover when drafted. With all respect to the draftsman, I must say it was drafted very faultily indeed. With these ideas in my mind, I cannot agree with Senator Drake-Brockman that we can treat the clause in the way that he suggests on the ground that it has been ruled by the Privy Council that we have no power to interfere with trade or commerce in the States. The Minister is not asking for power to interfere with trade or commerce. He asks for power to refer to the Board for inquiry and report anything which is happening under the protection afforded by Parliament in the Tariff to certain industries—anything unfair to the community in whose interests that Protective Tariff was imposed.

Senator DRAKE-BROCKMAN.—That is quite true, but you do not get over the constitutional difficulty.

Senator PAYNE.—I cannot see where any constitutional difficulty can be involved. The constitutional difficulty to which the honorable senator referred was in connexion with the interference with trade within the States.

Senator DRAKE-BROCKMAN.—It was not. It was the endeavour to inquire into the undertakings of an Australian company.

Senator PAYNE.—For what purpose?

Senator DRAKE-BROCKMAN.—That does not matter.

Senator PAYNE.—Any Court would take into consideration the purpose for which an inquiry was instituted.

Senator CRAWFORD.—It was a question of the power of a Royal Commission to compel a witness to give certain evidence.

Senator PAYNE.—In dealing with the Bill at this juncture, we are the highest Court in the land. If we feel that it will not be fair to the people of Australia to impose Protective duties without having legislative provision to insure that undue advantage will not be taken of the Tariff, we are entitled to pass a clause of this kind, and to leave the High Court to settle any disputes that may arise.

Senator DRAKE-BROCKMAN. — Apart from the desire to deal with the profiteer, is it possible to do so?

Senator PAYNE.—I believe there is a possibility of doing a great deal in that direction. Surely there is a possibility of making inquiry to ascertain whether, through the protection that the Tariff affords, any manufacturer is charging unnecessarily high prices to the consumer for the goods he makes.

Senator GUTHRIE.—Which they are doing every day, and we all know it.

Senator PAYNE.—I do not say that all are doing it, but some have been doing it for a long time. I shall produce, later, a piece of evidence which will prove what I say in regard to some of them, at all events. If the Tariff Board finds, from evidence obtained—

Senator DRAKE-BROCKMAN.—How are they going to compel that evidence to be given?

Senator PAYNE.—There may be no power to compel the manufacturer to give evidence; but I take it that the Board will have no difficulty in obtaining all the evidence necessary to prove such a case if it exists. If it is found that unnecessarily high prices are being charged, simply because we, in our liberality, have highly protected the particular industry concerned, all that the Tariff Board can do is to report to the Minister. If the Minister recommends to Parliament an

amendment of the Tariff so as to take away a portion of the protection which has been afforded to that industry, surely that is a reasonable, and, in fact, the only, course to pursue? As regards action in restraint of trade, it may be possible for people who have no scruples—probably they form a very small minority—so to act in restraint of trade as to prevent the necessary quantity of a particular commodity being distributed amongst the people in order to keep the price at a high level.

Senator WILSON.—What if a man held his crop of apples for a profit?

Senator PAYNE.—The honorable senator should know that no man would hold a perishable crop for any length of time.

Senator WILSON.—What if he held his crop of wheat?

Senator PAYNE.—Is there a high Protective duty on wheat? There may be many ways in which a manufacturer can operate to cause unnecessarily high prices to be charged to the consumer for his goods. The last sub-paragraph, regarding refusal to sell to any person goods to the value of £50 at current market rates, is most important. It was included, I take it, with the object of insuring that the consumer should be able to obtain his goods at reasonable prices; that is, reasonable compared with the cost of manufacture. It is a wise provision; but I cannot agree to its present wording. Its only object must be to enable any person *bonâ fide* engaged in business to obtain his supplies direct from the manufacturer. In the majority of cases retailers are obtaining their supplies direct from the manufacturer in Australia to-day. In fact, in the great majority of cases any *bonâ fide* retailer can obtain from the majority of manufacturers the goods he requires if he will take them in wholesale quantities, but, unfortunately, there is a section of manufacturers who have barred and locked the door.

Senator E. D. MILLEN.—Is not the honorable senator anticipating his own amendment?

Senator PAYNE.—No. I am speaking in support of the retention of the four sub-paragraphs I have enumerated. The amendment would cut them all out.

Senator E. D. MILLEN.—Not necessarily.

Senator PAYNE.—I apologize if I have transgressed. I have said enough to show that I am not convinced of the wisdom of the amendment. I shall be only too happy to listen to anything further that can be said in favour of it, but at present I cannot support it.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [8.45].—Senator Drake-Brockman has raised a question as to the constitutional power professed to be conferred by the Bill. I always hesitate to undertake what may be considered the presumptuous task of expressing an opinion at variance with that of legal gentlemen on a point of law; but I venture to do so now if only for the purpose of pressing further the inquiry the honorable senator has originated. I understand the honorable senator to say that we have not the constitutional power to conduct the inquiries which are authorized by the Bill.

Senator DRAKE-BROCKMAN.—No; I say that we have not the constitutional power to compel answers to the inquiries.

Senator E. D. MILLEN.—I draw attention to the fact that that is all the clause does; it does not follow that inquiries themselves will be followed by any action. All that is sought is authority to compel answers to questions put by the Board. Apart from his interpretation of the Constitution, I take it that the honorable senator is relying on the Privy Council decision in the case against the Colonial Sugar Refining Company.

Senator DRAKE-BROCKMAN.—Partly.

Senator E. D. MILLEN.—May I suggest that the honorable senator mainly relies on that decision?

Senator DRAKE-BROCKMAN.—No.

Senator E. D. MILLEN.—It seemed to me, in following the honorable senator in his references to the case, that he did make that decision his sheet anchor.

Senator DRAKE-BROCKMAN.—I was stopped after having spoken for a quarter of an hour.

Senator E. D. MILLEN.—I have no doubt that the honorable senator would have said much more but for the time limit. I desire to point out what appears to me to be the effect of the decision. As I read the decision, it does not say that all the inquiries were wrong; but that the inquiry was wrong. It may be that out of a dozen questions, eleven may be within the competence of the person putting them, and the other one not. There are

questions authorized in the Bill to which answers are required, and which, I think, are undoubtedly within our constitutional rights. I do not suggest that there may not be hidden in the questions, here and there, some which might be held to be outside our power, and I am relying for support in that opinion on the decision of our own High Court. Section 15B of the Australian Industries Preservation Act 1906-1910, which I shall quote presently, seems to me to raise the whole point: Have we the power to press an inquiry to the extent of compelling an answer? The part of the Act which the section covers deals with monopolies, and the action taken, first, by inquiry, and ultimately by prosecution. It reads—

15B (1) If (b) the Comptroller-General believes that an offence has been committed against this part of this Act, or if a complaint has been made in writing to the Comptroller-General that an offence has been committed against this part of this Act, and the Comptroller-General believes that the offence has been committed, he may, by writing under his hand, require any person (c) whom he believes to be capable of giving any information in relation to the alleged offence to answer questions and to produce documents to him or to some person named by him in relation to the alleged offence.

(2) No person shall refuse or fail to answer questions or produce documents when required to do so in pursuance of this section.

That, I submit, is entirely parallel to the case presented in the Bill.

Senator DRAKE-BROCKMAN.—But that was tested before the Privy Council, also in the Adelaide Steam-ship Company's case, and it was held to be *ultra vires*.

Senator E. D. MILLEN.—The honorable senator says so; but I wish to continue the quotation. Appended to that section in the Commonwealth Consolidated Acts is a note—

(b) Held by the High Court that this section is *intra vires* the Commonwealth Parliament and valid; that the inquiry authorized by the section is not inconsistent with the right of trial by jury conferred by section 80 of the Constitution; that it is not an exercise of the judicial power of the Commonwealth; and is not an incident of the execution and maintenance of the provisions of the Constitution relating to trade and commerce within the meaning of section 101 of the Constitution, and need not be entrusted to the Inter-State Commission. Huddart Parker & Co. Pty. Ltd. *versus* Moorehead (1908), 8 C.L.R., 330. Held by the High Court (Griffith, C.J., and Barton, J., Isaacs J. dissenting) that when the Attorney-General has formally instituted a prosecution in respect of an alleged offence under the

Act, the power as well as the purpose of the section is exhausted, so far as regards the persons whom the Attorney-General alleges to have committed the offence for which he prosecutes, whether they are parties to the suit or not, and the section does not empower the Comptroller-General to put questions for the purpose of collecting evidence in a pending suit. *Melbourne Steamship Co. Ltd. v. Moorehead* (1912), 18 A.L.R., 533.

Senator DRAKE-BROCKMAN.—What was the date of that decision.

Senator E. D. MILLEN.—It was given in 1912.

Senator DRAKE-BROCKMAN.—It was in 1912 that, on an appeal in the Adelaide Steam-ship Company's case, the Privy Council upset that decision.

Senator E. D. MILLEN.—In spite of the conflict between our own High Court and the Privy Council our Crown Law officers still regard the decision of our own High Court as sound law, and elect to stand by it. Putting that on one side, and recognising that the Privy Council is the highest authority, I still say there are certain questions which the Privy Council has not said we cannot ask. The Privy Council has said there are some questions we cannot ask, but there is still a wide field of questions on which neither the Privy Council nor any other Court has given any authoritative decision. We are giving a large measure of Protection; and surely Parliament ought to have the right by inquiry to find out the effect of the operation of the Tariff? Parliament ought to be in a position to ascertain how far the purposes for which it imposed the Tariff are being achieved, or the contrary. To me it would seem a violation of common-sense to say that Parliament, having passed this Tariff, cannot collect the information necessary to enable it to ascertain whether or not it is achieving its purpose. Senator Drake-Brockman will admit that, at least, common sense is required. The honorable senator would be the last to say that Parliament should legislate, and, having legislated, should refrain from taking every opportunity to acquaint itself with the results of its action. Our own Law officers advise us definitely and clearly on the point. It may be that some day a lawyer may arise and question the constitutionality of some Act, but in the meantime we have the assurance of our

own Law officers; and, in view of the common-sense aspect I have presented, I trust honorable senators will retain in the Bill the provision which Senator Drake-Brockman seeks to leave out.

Senator PRATTEN (New South Wales) [8.54].—I think there is a good deal in the aspect of the case which the Minister (Senator E. D. Millen) has put before us. Rightly or wrongly, constitutionally and legally or otherwise, some of the provisions in this Bill, even if they are only pious aspirations, should remain in connexion with attempted inquiries, at all events, into the incidence of very high duties when they operate harshly against the consumer through the manufacturer, who thereby, perhaps, obtains a monopoly.

Senator DRAKE-BROCKMAN.—Does not paragraph *d* of sub-clause 1 give all the power necessary?

Senator PRATTEN.—Probably it does. If carried out rightly it would probably give all the power which the words the honorable senator seeks to strike out gives; to that extent it is a repetition.

Senator DRAKE-BROCKMAN.—Just so.

Senator PRATTEN.—But I do not see very much to object to in paragraph *h*, and sub-paragraphs *i*, *ii*, and *iii*. While referring to these, I should like to say a word or two on the amendment moved by Senator Earle, an amendment which raises the whole question of how far it is desirable for this Parliament to go in the direction of grandmotherly legislation, which tries to follow everything from the manufacturer to the man, woman, or child who eats, wears, or uses the manufactured article.

Senator THOMAS.—Protection is grandmotherly legislation!

Senator PRATTEN.—I disagree with that interjection; Protection is for the purpose, primarily, of giving work to our own people by taking it out of the hands of foreigners. But I am not going to support or approve of any legislation in the direction of further price-fixing. The amendment of Senator Earle, in effect, seeks to follow the goods from the manufacturer to the wholesaler or distributor, and to do so from Cape York to the Leeuwin. I think the manufacturer may fairly say, if he is treating distributors in a reasonable way, "I am not my brother's keeper." Neither do I think it

legal or constitutional in any shape or form for this Parliament to interfere with the retail trade of the Commonwealth. It may be of interest to honorable senators to have an illustration of what may go on if we approve of any grandmotherly legislation by means of this clause.

Senator BOLTON.—Can the honorable senator tell us what goes on now?

Senator PRATTEN.—Yes; I can give an illustration of what went on quite recently in the much-lauded but very ineffective State Profiteering Court of New South Wales. A little while ago that Court met, not for the first time, in all the regalia at its disposal, with Judge, counsel, attendants, and so forth. On that particular morning the first case was one in which a firm was charged with having bought boots at 3s. 6d. a pair and resold them at 5s. 11d., thereby allegedly making 8d. more profit than it was entitled to. These were children's boots, with white uppers, apparently, a fancy line. There was a solicitor and a leading barrister of the junior Bar retained for the defence, while the departmental officers, or so-called "Profiteering Inspectors," with another leading barrister of the junior Bar, appeared for the Crown—and all about boots which were alleged to have been sold at an extra profit of 8d. Towards the end of the hearing a witness, who had been hurried over from Melbourne at the last minute, was called, and deposed that he sold these particular boots to the Sydney firm at 3s. 6d. a pair. In cross-examination, however, he went on to say that the boots formed part of an assigned estate, and that their value to the manufacturers at the time was 4s. 7d. On that evidence it immediately became apparent to the Court, and the learned counsel on both sides, that the Sydney firm had sold the boots at 5d. a pair under, instead of 8d. over the market price. The President of the Court, in the circumstances, decided that justice would be met by adjourning the case *sine die*, and the Department might, in view of the evidence disclosed, institute an inquiry into what was a fair profit for boot retailers to make. The result was that two barristers were engaged for two days, probably at £20 per day—that is £80—and the solicitors' and other legal costs, which are usually approximate to those of the

barristers, would be another £80, so that it cost £160 to obtain the information that a retailer had sold boots at 5d. per pair below, instead of 8d. above, the proper price as was alleged. I may quote another illustration of what is going on in this much-boasted Labour Government Profiteering Court to show the ludicrous position which legislation that some honorable senators support would lead to. An inquiry was held into a trade association which had already been twice inquired into, and in connexion with which no action had hitherto been taken. The President of the Court expressed the opinion that there was no charge against the trade association, but that the inquiry was merely to ascertain whether its activities were contrary to the public interest. The association was originally represented by its honorary secretary, who was a business man engaged in the trade. The New South Wales Government secured the services of the honorable member for West Sydney (Mr. Ryan), with a junior barrister to assist him, and when the secretary of the trade association saw these legal luminaries arrayed against him he asked for an adjournment to obtain legal assistance, as he felt overawed by the talent confronting him. The case lasted three days, and the President of the Court then said that he would submit his report to the New South Wales Government. Although the inquiry was held several months ago, the report has not yet been made public, as presumably the President of the Court found that the operations of the association were quite legitimate. But this decision was arrived at only after three inquiries had been made into the operations of this organization. The cost to the Crown may be summarized approximately in this way: One King's Counsel, £50 for the first day, with two refreshers each at £30, making £110, and the juniors, who would receive, say, a total of £50.

Senator DRAKE-BROCKMAN.—They would get two-thirds of the amount received by the seniors.

Senator PRATTEN.—I am glad to have the correction. In addition to the expenses incurred by the Crown, the apparent harmless association was mulct to the extent of £60 in barristers' fees, and probably a similar amount for solicitors' expenses.

Senator DRAKE-BROCKMAN.—Notwithstanding that, the honorable senator is opposing my amendment.

Senator PRATTEN.—If a similar inquiry were conducted under this provision, say, into the boot trade, it would probably cost £1,000, and the results would be about as valuable as those I have mentioned.

Senator DRAKE-BROCKMAN.—We are endeavouring to create more difficulties by passing this provision.

Senator PRATTEN.—I can agree with the honorable senator to some extent; but this Parliament has the power to conduct Tariff investigations, irrespective of decisions of the Privy Council, and High Court, or of the provisions of the Constitution. We can deal with Tariff duties up or down at our discretion, and Parliament should be informed if unfair advantage is being taken by those whom it is framed to protect. The clause may, as Senator Drake-Brockman suggests, be merely a pious aspiration; but we have the power to constitute a Board, or a Court of Inquiry, which will be effective. If the Board commenced an inquiry in connexion with the incidence of high Tariff rates, and those who are protected refused to answer questions submitted, they would incur the risk of Parliament reducing the duties, and thus effectively controlling their profits within Australia. That would, at all events, have a moral effect, and would assist in carrying out the intentions of the clause.

Senator BENNY (South Australia) [9.8].—I agree with the legal position submitted by Senator Drake-Brockman concerning our powers, or lack of powers, to compel witnesses to produce documents, or to give evidence before a Court of Inquiry. That was clearly proved in the case of the Colonial Sugar Refining Company. I also agree with the Minister for Repatriation (Senator E. D. Millen), who said that we should take a common-sense view, and for that reason I intend to vote against Senator Drake-Brockman's amendment. Perhaps I may be able to submit a little additional information on the matter by saying that, in the Sugar case, decided by the Privy Council, the whole industry was being inquired into, including the question of price-fixing. According to sub-paragraph i of paragraph *b*, of sub-clause 1, the Minister shall refer to the Board

for inquiry and report questions relating to the charging of unnecessarily high prices for goods. The object of that provision is not to punish the manufacturer for fixing unduly high prices, but to regulate the incidence of the Tariff, and if a manufacturer is guilty of charging unnecessarily high prices, Parliament can punish him by reducing the duties. That power is reserved to Parliament, because we can increase, reduce, or repeal duties, and that is the chief intention in appointing a Tariff Board. We desire to give the Board power to see if injustice is being done to the consumers, and the duty then devolves upon Parliament of altering the Tariff.

Senator Earle proposes to move to amend the sub-paragraph by adding the words "failing to prevent unnecessarily high prices being charged to the consumer."

The CHAIRMAN (Senator Bakhap).—The honorable senator will be in order in making a brief reference to a proposed amendment; but he cannot discuss it at length at this juncture.

Senator BENNY.—I was merely going to suggest, Mr. Chairman, that if Senator Earle wishes to carry his amendment—I intend to oppose it—he should add the words "or the seller of goods" after "manufacturer." The object is to obviate the necessity of compelling a manufacturer to police the middleman.

Senator PRATTEN.—How would an amendment of the Tariff affect the seller of goods?

Senator BENNY.—It would not; but an inquiry could then be made concerning the manufacturer or seller of goods. If the manufacturer or seller were charging unnecessarily high prices, the Minister could take action accordingly. If the honorable senator amends his amendment by adding those words, I shall support it; but I object to the manufacturer policing the middleman. For the reasons given, I intend to oppose Senator Drake-Brockman's amendment.

Senator CRAWFORD (Queensland) [9.13].—I am quite indifferent as to whether Senator Drake-Brockman's amendment is carried or not, because I believe that if the clause is amended as desired, it will have no practical effect. Paragraph *d* of sub-clause 1 provides that the Minister shall refer to

the Board for inquiry and report matters relating to the necessity for new, increased, or reduced duties, and the deferment of existing or proposed deferred duties. We have already sufficient power in the preceding paragraph. Senator Drake-Brockman contends that, although Parliament may find that the Tariff is being used for aiding and abetting the exploitation of consumers, we shall have no power to take action.

Senator DRAKE-BROCKMAN.—I did not say anything of the sort, because Parliament has the power.

Senator CRAWFORD.—Parliament will have the power, and duties can be amended, if desired. Parliament has the power to enable the necessary information to be obtained upon which to come to a right decision. Quite a number of inquiries have been held in connexion with Tariff matters, and I know of only one instance in which there was a complete refusal to answer certain questions, or to pursue a certain course of action, and that was in connexion with the Colonial Sugar Refining Company's case. What action did the Sugar Commission propose to take in that case? The company took exception to the proposal of the Commission to send an accountant—who, by the way, was a German—to the company's office with authority to go through the whole of the books and accounts, to make investigations, not only in connexion with its Australian trade, but in regard to its operations outside Australia. The company, I think, very properly resisted. But in investigations such as this Board will be called upon to make, questions of that sort will not be likely to arise. It is my intention to vote against the amendment, although I hope that, later, the Committee will agree to strike out sub-paragraph iv. of paragraph h, sub-clause 1.

Senator DRAKE-BROCKMAN.—I have already intimated that I shall move to that effect.

Senator CRAWFORD.—It would be impossible to follow goods all over the Commonwealth to insure that in all parts, near and remote, only certain prices were charged, especially as the expenditure of the Board has been limited to £4,000 per annum.

Senator ELLIOTT (Victoria) [9.16].—I support the amendment for reasons apart from the constitutional one which

has been so ably put forward by Senator Drake-Brockman. The Minister for Repatriation (Senator E. D. Millen) has admitted that certain parts of this proposed legislation may be declared *ultra vires*. That being the case, we are, by this measure, deliberately plunging the manufacturing community into a sea of litigation.

Senator BOLTON.—The honorable senator should not object to that.

Senator ELLIOTT.—After listening to what Senator Pratten has said, I, as a lawyer, should welcome legislation of this kind; but I speak in this Chamber, not as a lawyer, but as a senator, and in that capacity it is my duty to endeavour to protect the public, and not seek to profiteer at their expense. The Government appear to be attempting in this measure to deal with Combines. We were twitted by the Minister for Repatriation with the fact that we had supported a platform one plank in which was the protection of the consumer against exploitation, but I remind the Minister that the Constitution Alteration (Legislative Powers) Act of 1919, by which we sought power to effect that reform, was decisively rejected at a referendum of the people. Although it was provided that that Act should remain in force for only three years, the electors absolutely refused to intrust to us the powers we sought. I take their decision as a mandate to leave such matters strictly alone. This Bill is, in my opinion, an attempt to twist the power to impose Customs duties into a power to deal with Combines in an underhand way. The electors having deliberately refused us permission to touch such matters directly, we are now asked to flout their decision and carry out that portion of our platform in defiance of the people's wish. Having been refused by the people the enlarged powers we sought, the Government now seek to establish control over the people who invest their capital in establishing manufactories while disregarding altogether the people who draw their business supplies from outside Australia. Had the proposed alterations of the Constitution been sanctioned by the people, we should have had power to treat every trader in the community on the same footing. Having been denied those powers, we can now deal only with the Australian manufacturers.

Senator PAYNE.—No such control is suggested by this clause.

Senator ELLIOTT.—It is proposed to give the Board power to ascertain if a manufacturer is charging unnecessarily high prices.

Senator GUTHRIE.—And it is proposed that if such is found to be the case, the duties which protect him may be reduced.

Senator ELLIOTT.—The Board is to deal with the unfortunate person who manufactures locally, but the importer, against whom Senator Guthrie has been fulminating for years past, is to be allowed to go absolutely free.

Senator PRATTEN.—We cannot touch him.

Senator RUSSELL.—Yes; the Board could report in favour of higher duties, even to the extent of prohibition.

Senator ELLIOTT.—There may be power in another part of the clause to do that, but it cannot be done under paragraph *h* of sub-clause ¹. I do not know whether it is proposed under this Bill to have the Board question importers as to their business overseas, and the prices they pay for their goods in England. It seems to me that if that is so, then inasmuch as it has been held to be unconstitutional to question our own manufacturers, it must be even more unconstitutional to attempt to deal with outside Combines. The speeches of Senators Earle and Payne have indicated precisely the sort of difficulties into which we shall be forcing the manufacturers. Imagine compelling an unfortunate manufacturer, as soon as he starts in business, to make some special contract by which the purchaser shall not sell the goods bought by him at more than a certain price.

Senator PAYNE.—I did not suggest that.

Senator ELLIOTT.—Senator Earle made that suggestion, and this clause can be of no use unless some such power is tacked on to it, because the manufacturer can dispose of his goods to a middleman and arrange to receive some sort of secret commission.

Senator GUTHRIE.—We cannot legislate against thieves or collusion of that kind.

Senator ELLIOTT.—Senator Earle felt obliged to move an amendment to

that effect, in order to make this clause effective. It is as full of holes as is a sieve, and in seeking to stop one of them the honorable senator would lead us into still greater difficulties. We should in no time be floundering in what Mr. Justice Higgins calls a "Serbonian bog." I protest against this hatred of any man who attempts to set up a manufacturing business in this country. As soon as a man starts to manufacture, he is subjected to all sorts of petty persecutions.

Senator DRAKE-BROCKMAN. — He is harassed all the time.

Senator GUTHRIE.—We desire to give the public a little of the protection that is being given by the barrowload to the manufacturer.

Senator ELLIOTT.—In making provision to deal with the manufacturers, why are the growers exempted? Suppose the growers combined to keep the price of wheat at 10s. per bushel.

Senator EARLE.—Is a duty imposed to keep out imported wheat?

Senator ELLIOTT.—Yes.

Senator EARLE.—Well, remove it.

Senator ELLIOTT.—When it was rumoured that onions were being imported from Japan, there was a general howl for protection for the local growers; yet the Board is not to inquire into his transactions, because this clause applies only to the manufacturer.

Senator PAYNE.—He would be protected under paragraph *d*.

Senator ELLIOTT.—If paragraph *d* is sufficient, there should be no objection to the elimination of paragraph *h*. It is not right that one class should be treated as pariahs. Senator Pratten gave some illustrations of the difficulties that are likely to arise in connexion with legislation of this sort.

Senator PAYNE.—He was dealing with retailers.

Senator ELLIOTT.—The same sort of difficulties must arise in connexion with manufacturers. I remind honorable senators that when an attempt was made to regulate the milk supply of Sydney by fixing prices, the supply ceased, and that is exactly what will happen to our manufacturers if those who invest their capital are harassed in the manner proposed. The

manufacturers will be all right if they can convince the Board that their prices are fair, but if they are unable to do that, Parliament may, following the recommendation of the Board, remove the duty which protects their industry. Then there will be an outcry that we have ruined the industry. If the decision of the Board should run counter to the interests of a manufacturer he would probably vent his displeasure by criticising its *personnel*. The interpretation of phrases contained in this clause may lead to interminable legal actions over such expressions, for example, as "unreasonable prices," and "acting in restraint of trade."

Senator PEARCE.—Who would be proceeded against—the Parliament?

Senator ELLIOTT.—If the Board should decide that a particular action of a certain person is in restraint of trade, the High Court might well call upon it to state a case for review in order to protect the public from unreasonable decisions.

The CHAIRMAN (Senator Bakhap).—Order! The honorable senator's time has expired.

Senator EARLE (Tasmania) [9.32].—I am surprised at the tone of the debate. The merits of the measure appear to have been submerged in an academic and constitutional wrangle. Honorable senators have lost sight of the actual intention of the Bill. It does not propose to set up a Court for the prosecution of certain individuals.

Senator DRAKE-BROCKMAN.—It does.

Senator EARLE.—No; it proposes to institute a Court of inquiry to advise the Government—

Senator DRAKE-BROCKMAN.—Whether punishment shall be inflicted upon certain persons by increasing, or reducing, or wiping out duties.

Senator EARLE.—If it is reported by the Board that the duties, as imposed, are inimical to the best interests of the people, it becomes the duty of the Government to consider whether the existing rates shall be retained or removed. Senator Drake-Brockman also dealt with the power of the Board to enforce answers in the course of inquiries. If the Board were investigating a report that a manufacturer had taken certain action which was considered to be prejudicial to the interests of the public, and if the manufacturer

was asked what he had to say in rebuttal of the charge, and the latter said, "I refuse to give evidence," what would be the conclusion both of the Board and of the public? It could be no other than that the charge was justified. It would be in his own interest that a person undergoing examination should tender evidence, and he would do so.

Senator GUTHRIE.—Naturally, unless he was guilty.

Senator EARLE.—That is so. Any one would presume a man guilty if he refused to attempt to assert his innocence.

Senator ELLIOTT.—If no evidence were tendered, the High Court would probably restrain the Board from making a report, on the ground of lack of evidence.

Senator GUTHRIE.—The public would judge the individual, anyway.

Senator EARLE.—It is absurd to suggest that Parliament, which is dealing with the Tariff, should not have the power to set up a tribunal to inquire into the operations of the Tariff. And, if a person refused to give evidence in the course of an inquiry, it would be his own responsibility.

Senator PAYNE (Tasmania) [9.37].—Senator Elliott is responsible for causing me to speak for the second time upon the amendment, in that he included Senator Earle and myself as enemies of the manufacturers. I admit that he perceived his mistake in having said so, and that he partially withdrew the accusation. I am no enemy of the manufacturers. I have always been associated with the business section of the community, and I have always wished our manufacturing interests well. At the same time I recognise my public duty, not only to the manufacturing section, but also to the consumers. The honorable senator has evidently neglected to read the clause. He suggested that, immediately upon the passage of the Bill, a system of persecution would be launched against manufacturers by the Government, at the instigation of certain parties. This clause provides that the Minister shall refer to the Board for inquiry and report any complaint that a manufacturer is taking undue advantage of the protection afforded him by the duties which Parliament has imposed. Before the Minister can act, complaint must be lodged. The Minister

would not refer to the Board every paltry complaint. He must first be satisfied that the allegation is reasonable.

Senator PRATTEN. — The Minister "shall report."

Senator PAYNE.—A complaint must be lodged before any inquiry can be held.

Senator ELLIOTT.—Lodged by any one —by a manufacturer's business rival.

Senator PRATTEN.—Will not this Bill encourage blackmail?

Senator DRAKE-BROCKMAN.—And Bolshevism, and every other kind of extremism?

Senator PAYNE.—When the Bill becomes operative it will insure to consumers a fair deal. There will be no need to investigate the operations of a great majority of manufacturers. Parliament does not legislate for the majority. Laws are not passed to keep the majority of the people within bounds, but to cope with a minority which is not prepared to obey the law. Whether men are manufacturers or consumers, there are always those in the community who are prepared to take down their neighbours. Parliament must deal with persons of that class. If a manufacturer is taking undue advantage of the protection which has been given to him by the Tariff, it is right that the Minister should possess the power to institute inquiries about his conduct. The Tariff cannot be what we want it to be unless machinery is provided to make it beneficial to every section in the community. I hope that the amendment will be defeated.

Senator SENIOR (South Australia) [9.43].—I support the amendment because I believe that all that is required is provided in paragraph *d* of sub-clause 1. I have listened with interest to the remarks of honorable senators about the constitutional aspect of the provision. Apart from that, however, the Bill would be more workable if paragraph *h* were deleted. No one need be afraid of the loss of any power, seeing that paragraph *d* is inclusive of all that is necessary. I do not think that any section of the community should be held up as more sinful than another, and I cannot believe that the manufacturers are the only sinners in Australia. Therefore I shall support

the elimination of this provision, by which we shall lose nothing and gain much.

Senator GUTHRIE (Victoria) [9.46].—I am against the amendment and in favour of the proposal of the Government, because I wish to give effect to my election pledge, and to prevent the consumers of Australia from having to pay unnecessarily high prices. I therefore move—

That the Committee do now divide.

Question put. The Committee divided.

| | | | | |
|------|----|----|----|----|
| Ayes | .. | .. | .. | 12 |
| Noes | .. | .. | .. | 7 |

| | | | | |
|----------|----|----|----|---|
| Majority | .. | .. | .. | 5 |
|----------|----|----|----|---|

AYES.

| | |
|-----------------------|-----------------|
| Benny, B. | Henderson, G. |
| Buzacott, R. | Payne, H. J. M. |
| Crawford, T. W. | Plain, W. |
| Drake-Brockman, E. A. | Senior, W. |
| Earle, J. | |
| Glasgow, Sir Thomas | Teller: |
| Guthrie, J. F. | Wilson, R. V. |

NOES.

| | |
|----------------|----------------|
| Bolton, W. K. | Pratten, H. E. |
| Elliott, H. E. | Russell, E. J. |
| Millen, E. D. | Teller: |
| Pearce, G. F. | de Largie, H. |

There not being thirteen affirmative votes, question resolved in the negative.

Senator BOLTON (Victoria) [9.52].—The Committee is indebted to its legal members for their speeches on this clause, though they have not done much to help us to protect the public. I shall vote against the amendment. Within the last few days it has come to my knowledge that an article which is sold by the manufacturer for 10s. 6d. is retailed in the shops at 22s. 6d., an increase of 125 per cent. in price. I said to the manufacturer, "Why do you not sell your goods direct to the retail shops, so that the public may benefit by getting them more cheaply?" His reply was that he dared not do that, because a traveller from a wholesale house, on calling for orders at a shop, would be sure, on seeing his goods there, to ask where the retailer had bought them. If the retailer said that he had got them straight from the manufacturer, the traveller would inform the wholesale house of the fact. Thereupon the wholesale merchant would tell the manufacturer that he need not send any

more of his goods to him for sale at 10s. 6d., and would also tell the retailer that he need not expect to be supplied by the wholesaler, if he intended to continue buying direct from the manufacturer. In this case there is practically a conspiracy against the manufacturer.

Senator DRAKE-BROCKMAN.—And of what use in preventing it is the provision to which I object?

Senator BOLTON.—Any provision that would help us to find out the facts—

Senator DRAKE-BROCKMAN.—This provision will not help you to find out anything.

Senator BOLTON.—Personally, I shall welcome any machinery which is calculated to assist us in finding out the facts.

Question—That the words proposed to be left out be left out (Senator DRAKE-BROCKMAN'S amendment)—put. The Committee divided.

| | | | | |
|----------|----|----|----|----|
| Ayes | .. | .. | .. | 7 |
| Noes | .. | .. | .. | 13 |
| | | | | — |
| Majority | .. | .. | .. | 6 |

AYES.

| | |
|-----------------------|---------------------|
| Bakhap, T. J. K. | Glasgow, Sir Thomas |
| Drake-Brockman, E. A. | Wilson, R. V. |
| Elliott, H. E. | Teller: |
| Givens, T. | Senior, W. |

NOES.

| | |
|-----------------|-----------------|
| Bolton, W. K. | Payne, H. J. M. |
| Buzacott, R. | Pearce, G. F. |
| Crawford, T. W. | Plain, W. |
| Earle, J. | Pratten, H. E. |
| Guthrie, J. F. | Russell, E. J. |
| Henderson, G. | Teller: |
| Millen, E. D. | de Largie, H. |

PAIR.

| | |
|---------------|-----------|
| Vardon, E. C. | Benny, B. |
|---------------|-----------|

Question so resolved in the negative.

Amendment negatived.

Senator EARLE (Tasmania) [10.0].—As I am quite sure that honorable senators have made up their minds how they will vote upon the amendment of which I have already given notice, I shall content myself with moving—

That after sub-paragraph (i) of paragraph (h), sub-clause (1), the following new sub-paragraph be inserted:—“(1A) failing to prevent unnecessarily high prices being charged to the consumer for goods manufactured by him; or.”

Amendment negatived.

Senator RUSSELL (Victoria—Vice-President of the Executive Council) [10.2].—I move—

That the word “or” in sub-paragraph (iii) of paragraph (h), sub-clause (1), and the words “refusing to sell to any person” in sub-paragraph (iv) of the same paragraph be left out.

I have previously promised that I would move for the repeal of the whole of sub-paragraph iv, which was inserted in another place against the wish of the Government, and which we have no desire to perpetuate. But to meet the convenience of Senator Payne, who has given notice of another amendment, I have limited my amendment to the omission of the word “or” in the previous sub-paragraph and of all the words down to the word “person” in sub-paragraph iv.

Senator PAYNE (Tasmania) [10.5].—I understand that the object of the amendment is to eliminate the whole of sub-paragraph iv, which was inserted by another place for a certain object. I could not support the retention of the sub-paragraph as printed, and for that reason I gave you notice, Mr. Chairman, that I intended to move an amendment. I recognise, however, that it is essential that some provision should be made whereby a *bonâ fide* retail trader may have the right to purchase in wholesale quantities direct from the manufacturer the goods he requires for his business. In some cases he can do so. I know of many manufacturers from whom shopkeepers—some of them in a small way of business—obtain their supplies direct in wholesale quantities. But there has grown up in Australia quite recently a practice under which manufacturers absolutely refuse to trade directly with the retail distributors—the men to whom the general public have to go for their supplies. The result, I am afraid, is that the consuming portion of the community have to pay higher prices than they would be called upon to pay if the retail trader were able to buy direct from the manufacturer. That is the position in a nutshell. The sub-paragraph as it stands, however, would give any individual the right to demand that a manufacturer should supply to him in less than wholesale quantities the goods he wants. That would be a foolish provision. We

could not expect a manufacturer to supply to all and sundry the goods he manufactures in the quantities required by individual consumers. Under such a provision a man might require a manufacturer to sell him a half-dozen pounds of wire nails or a yard of flannel.

Senator GUTHRIE.—But in this case a minimum value of £50 is fixed.

Senator PAYNE.—Exactly so. My desire is to so amend the sub-paragraph that it would read that the Minister should have power to refer to the Board for inquiry and report any complaint that a manufacturer was “refusing to sell to any person who is carrying on a *bonâ fide* retail business, goods in not less quantities than are generally required in wholesale trading at current market rates.”

Senator WILSON.—That is very ambiguous. Everything would depend upon the definition of wholesale rates.

Senator PAYNE.—It is a well known term in all trades. The case is not met by fixing a minimum value of £50. A retail trader might desire to purchase half a ton of wire nails direct from the manufacturer. Why should he not be able to do so?

Senator GUTHRIE.—Who is to determine what is “wholesale quantity”?

Senator PAYNE.—Wholesale quantities are unbroken quantities. A man, for instance, could not buy direct from a manufacturer half-a-dozen yards of textile fabric. He must buy the whole piece. My desire is to give the *bonâ fide* retailer the right to purchase direct from the manufacturer, so that he may be enabled to distribute at reasonable rates to the consumer. I can remember when the merchants of Melbourne were quite fairly classed as importers, because in those days they—particularly the soft-goods merchants—dealt principally with imports. But the woollen mills of Australia now put all their goods through the wholesale warehouses. The consuming community must necessarily, under such a process, pay higher prices than would otherwise rule. I intend to oppose the amendment moved by the Minister since, if it were agreed to, I should not have an opportunity to move my amendment.

Senator PRATTEN (New South Wales) [10.12].—I have much pleasure in giving my whole-hearted support to the amendment moved by the Minister (Senator Russell). There is a good deal of misconception in regard to the distributing business of Australia from the manufacturer to the retailer. I shall try to give some information on the subject that is within my own personal knowledge. Those much-talked of business centres—York-street, Sydney, and Flinders-lane, Melbourne—deal principally with imported goods, and, consequently, are largely outside the ambit of the manufacturer. Taking the whole of the manufacturing trades of Australia, most of their distributing is done direct as between the manufacturer or retailer, or through the established State agencies of the manufacturer. When a manufacturer distributes through a wholesale house it is for one of several reasons. He is, perhaps, short of capital, and cannot send out travellers, who can give the necessary credit to the retailer, as is done by the wholesale houses. Another reason may be that he gets a better net return by dealing with the wholesale houses; his working and travelling expenses are less, and he can finance his business on very much less capital than if he were doing a direct distributing business.

Senator WILSON.—He trades through their avenues of finance.

Senator PRATTEN.—Yes; in other words, a struggling manufacturer is often helped by the wholesale distributing houses; but, generally speaking, in the case of dozens of commodities I could mention, the manufacturer distributes direct to the retailer.

Senator WILSON.—It was done twenty years ago, when I bought from you.

Senator PRATTEN.—Yes, I had much pleasure, as a manufacturer, in doing a satisfactory and friendly business with Senator Wilson as a retailer twenty years ago. There has not been the liaison between the merchant and the manufacturer so far as Australian goods are concerned that the man in the street thinks there has been, because the wholesale merchant up to quite recently was primarily interested in imported goods, and the manufacturer was struggling to displace them. Another feature of the incidence of the sub-paragraph is this: Most

manufacturers now, to be successful, must do an Inter-State business. A manufacturer in New South Wales will have his agents in Victoria, Queensland, South Australia, Western Australia, and, possibly, Tasmania. The same thing will occur with a manufacturer here, or in South Australia, and that Inter-State business as a rule is carried on through accredited agents, who are given a small overriding commission on all the business done through their States. In some cases they guarantee accounts, and in all cases they care for the business done within the State for the firm. This sub-paragraph is absolutely unworkable, and unfair to the manufacturer, and suggests what I most strongly resent—that the Australian manufacturer is not giving a fair deal to the retailer. As a matter of fact, he lives by the retailer.

Senator PAYNE.—The majority give a fair deal, but it is the minority that I complain of.

Senator PRATTEN.—Why make laws for the minority? Why not realize the exact position? There is no case within the ambit of my knowledge where this provision, if allowed to remain, would

be of any practical benefit. If Jones' something is stocked in Flinders-lane, and the retailer cannot get it there at less than a high price, he can get the article direct from Brown, another manufacturer. We had an illustration of that in connexion with Mr. Jowett's celebrated £5 suit. I entirely approve of the elimination of this sub-paragraph, because it is another attempt in the direction of impracticable grandmotherly legislation, which is *infra dig.* for a Parliament of this sort to pass.

Amendment agreed to.

Amendment (by Senator RUSSELL) agreed to—

That the words "goods to the value of Fifty pounds at current market rates" be left out.

Clause, as amended, agreed to.

Clause 16 agreed to.

Progress reported.

PAPER.

The following paper was presented:—

Return regarding completion and occupation of homes under the War Service Homes Act.

Senate adjourned at 10.21 p.m.

Members of the House of Representatives.

Speaker—The Honorable Sir Elliot Johnson, K.C.M.G.

Chairman of Committees—The Honorable John Moore Chanter.

| | |
|--|--|
| Anstey, Frank .. Bourke (V.) | Hughes, Right Hon. William Bendigo (V.) |
| ³ Atkinson, Llewelyn .. Wilmot (T.) | Morris, P.C., K.C. |
| ⁷ Bamford, Hon. Frederick Herbert (Q.) | Jackson, David Sydney .. Bass (T.) |
| William | Johnson, Hon. Sir Elliot, Lang, (N.S.W.) |
| Bayley, James Garfield .. Oxley (Q.) | K.C.M.G. |
| Bell, George John, C.M.G., Darwin (T.) | Jowett, Edmund .. Grampians (V.) |
| D.S.O. | ⁵ Kerby, Edwin Thomas Ballarat (V.) |
| Best, Hon. Sir Robert Kooyong (V.) | John |
| Wallace, K.C.M.G. | Lamond, Hector .. Illawarra (N.S.W.) |
| Blakeley, Arthur .. Darling (N.S.W.) | Lavelle, Thomas James .. Calare (N.S.W.) |
| Blundell, Hon. Reginald Adelaide (S.A.) | Lazzarini, Hubert Peter .. Werriwa (N.S.W.) |
| Pole | Lister, John Henry .. Corio (V.) |
| Bowden, Eric Kendall .. Nepean (N.S.W.) | Livingston, John .. Barker (S.A.) |
| Brennan, Frank .. Batman (V.) | Mackay, George Hugh .. Lilley (Q.) |
| Bruce, Stanley Melbourne Flinders (V.) | ⁸ Mahon, Hon. Hugh .. Kalgoorlie (W.A.) |
| M.C. | Mahony, William George Dalley (N.S.W.) |
| Burchell, Reginald—John Fremantle (W.A.) | Makin, Norman John Hindmarsh (S.A.) |
| M.C. | Oswald |
| Cameron, Donald Charles Brisbane (Q.) | Maloney, William .. Melbourne (V.) |
| C.M.G., D.S.O. | Marks, Walter Moffitt .. Wentworth (N.S.W.) |
| Catts, James Howard .. Cook (N.S.W.) | Marr, Charles William Parkes (N.S.W.) |
| Chanter, Hon. John Riverina (N.S.W.) | Clanan, D.S.O., M.C. |
| Moore | Mathews, James .. Melbourne Ports (V.) |
| Chapman, Hon. Austin .. Eden-Monaro | Maxwell, George Arnot .. Fawkner (V.) |
| (N.S.W.) | ¹ McDonald, Hon. Charles .. Kennedy (Q.) |
| ³ Charlton, Matthew† .. Hunter (N.S.W.) | ⁶ McGrath, David Charles .. Ballarat (V.) |
| ⁴ Considine, Michael Patrick Barrier (N.S.W.) | McWilliams, William James Franklin (T.) |
| Cook, Right Hon. Sir Parramatta (N.S.W.) | Moloney, Parker John .. Hume (N.S.W.) |
| Joseph, P.C., G.C.M.G. | Nicholls, Samuel Robert .. Macquarie (N.S.W.) |
| Cook, Robert .. Indi (V.) | Page, Earle Christmas Cowper (N.S.W.) |
| Corser, Edward Bernard Wide Bay (Q.) | Grafton |
| Cresset | ¹⁰ Page, Hon. James .. Maranoa (Q.) |
| Cunningham, Lucien Gwydir (N.S.W.) | Poynton, Hon. Alexander, Grey (S.A.) |
| Lawrence | O.B.E. |
| Fenton, James Edward .. Maribyrnong (V.) | Prowse, John Henry .. Swan (W.A.) |
| ³ Fleming, William Mont-Robertson (N.S.W.) | Riley, Edward .. South Sydney |
| gomerle | (N.S.W.) |
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| Foster, Hon. Richard Wakefield (S.A.) | islaus |
| Witty | Ryan, Hon. Thomas West Sydney |
| ² Fowler, Hon. James Perth (W.A.) | Joseph, K.C. (N.S.W.) |
| Mackinnon | Ryrie, Sir Granville de North Sydney |
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| Greene, Hon. Walter Richmond (N.S.W.) | Stewart, Percy Gerald .. Wimmera (V.) |
| Massy | Story, William Harrison .. Boothby (S.A.) |
| Gregory, Hon. Henry .. Dampier (W.A.) | Tudor, Hon. Frank Gwynne Yarra (V.) |
| Groom, Hon. Littleton Darling Downs (Q.) | ³ Watkins, Hon. David .. Newcastle (N.S.W.) |
| Ernest | Watt, Right Hon. William Balaclava (V.) |
| Hay, Alexander .. New England | Alexander, P.C. |
| (N.S.W.) | West, John Edward .. East Sydney |
| Higgs, Hon. William Guy Capricornia (Q.) | (N.S.W.) |
| Hill, William Caldwell .. Echuca (V.) | Wienholt, Arnold .. Moreton (Q.) |
| | Wise, Hon. George Henry .. Gippsland (V.) |

1. Sworn 27th February, 1920.—2. Sworn 3rd March, 1920.—3. Appointed Temporary Chairman of Committees, 4th March, 1920.—4. Made affirmation, 5th March, 1920.—5. Election declared void, 2nd June, 1920.—† Sworn 11th May, 1920.—6. Elected 10th July, 1920. Sworn 21st July, 1920.—7. Appointed Temporary Chairman of Committees, 13th May, 1920.—8. Expelled and seat declared vacant, 12th November, 1920.—9. Elected 18th December, 1920. Sworn 6th April, 1921.—10. Decease reported, 3rd June, 1921.

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B. HARRY FRIEND,
Principal Parliamentary Reporter.

COMMITTEES.

SENATE.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Fairbairn, Senator Gardiner, Senator Sir T. W. Glasgow, Senator Keating, Senator Lynch, Senator Pratten, and Senator Senior.

STANDING ORDERS.—The President, the Chairman of Committees, Senator Crawford,* Senator de Largie, Senator Duncan, Senator Earle, Senator Elliott, Senator Foll, Senator Gardiner, and Senator Lynch.

LIBRARY.—The President, Senator Benny, Senator Bolton, Senator de Largie, Senator Gardiner, Senator Keating, and Senator Pratten.

HOUSE.—The President, the Chairman of Committees, Senator Buzacott, Senator J. F. Guthrie, Senator Rowell, Senator Thomas, and Senator Wilson.

PRINTING.—Senator Adamson, Senator Cox, Senator J. D. Millen, Senator Newland, Senator Plain, Senator Reid, and Senator Senior.

PUBLIC ACCOUNTS COMMITTEE (JOINT).—Senator Bolton, Senator Buzacott, and Senator J. D. Millen.

PUBLIC WORKS. (JOINT).—Senator Foll, Senator Newland, and Senator Plain.

SENATE OFFICIALS: SELECT COMMITTEE.—Senator de Largie, Senator Drake-Brockman, Senator Duncan, Senator Earle, Senator Elliott, Senator Reid, and Senator Senior. Progress report presented 12th May, 1921.

* Appointed 14th April, 1921.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS.—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Atkinson, Mr. Charlton, Mr. Fowler, and Mr. Tudor.

LIBRARY.—Mr. Speaker, Mr. Anstey, Mr. Fleming, Mr. Fowler, Mr. Higgs, Mr. Lamond, Mr. Mackay, Dr. Maloney, Mr. Maxwell, and Mr. McDonald.

HOUSE.—Mr. Speaker, Mr. Foster, Mr. Gregory, Mr. Livingston, Mr. Mathews, Mr. James Page†, Mr. Rodgers, and Mr. Watkins.

PRINTING.—Mr. Bamford, Mr. Bowden, Mr. Corser, Mr. Fenton, Mr. McWilliams, Mr. Riley, and Mr. West.

PUBLIC ACCOUNTS (JOINT).—Mr. Bayley, Mr. Charlton, Mr. Fenton, Mr. Fleming, Mr. Fowler, Mr. Provwse, and Mr. West.

PUBLIC WORKS (JOINT).—Mr. Atkinson*, Mr. Bamford, Mr. Gregory, Mr. Jackson†, Mr. Mackay, Mr. Mathews, and Mr. Parker Moloney.

SEA CARRIAGE SELECT COMMITTEE.—Mr. Atkinson, Mr. Burchell, Mr. Corser, Mr. Foster, Mr. Mahony, Mr. McWilliams, and Mr. Watkins. Final report presented 20th October, 1920.

Resigned 12th May, 1921. —† Appointed 19th May, 1921. —‡ Decease reported 3rd June, 1921.